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REVISED EDITION.

# JOURNAL

OF

HITCHCOCK'S NEW METHOD

OF

TEACHING

# BOOK-KEEPING.



BOSTON:

SASBORN, CARTER AND BAZIN.

24136

Charles Boylin

1861

64136

~~Charles Boyer~~  
H. H. H.

164136

James Boylin

184





A  
**NEW METHOD**  
OF  
**TEACHING**  
**BOOK-KEEPING**

BY THE USE OF

- |  |  |  |
|--|--|--|
| 1. NECESSARY DEFINITIONS AND UNIVERSAL RULES;                                      |  | 4. INSTRUCTIONS FOR THE ADJUSTMENT AND                     |
| 2. INTERROGATORY EXERCISES, OR ORAL JOURNAL-IZING;                                 |  | OF THE LEGER, THE REOPENING OF                             |
| 3. PRACTICAL EXERCISES, ACCOMPANIED BY BLANK BOOKS, AND DIRECTIONS FOR USING THEM; |  | COUNTS IN THE OLD BOOKS, AND THE T<br>OF THEM TO NEW ONES: |

ACCOMPANIED BY

**A KEY,**

*By the assistance of which Instructors are enabled to teach this art with facility and success to }  
proper age and capacity; and Adult persons to acquire a knowledge of it*

**WITHOUT THE HELP OF A TEACHER:**

THE WHOLE COMPRISED IN

**FIFTEEN LESSONS,**

**And the Rules and Instructions exemplified in two Sets of Books kept by Double Entry**

**TO WHICH ARE ADDED (IN THE KEY)**

**SPECIMENS,**

**SHOWING THE FORMS OF THE MOST IMPORTANT AUXILIARY BOOKS, CONNECTED, AS  
WITH THE PRECEDING SETS.**

—●—  
STEREOTYPE EDITION.

—  
**BY I. IRVINE HITCHCOCK, ACCOUNTANT AND TEACHER.**  
—

**BOSTON;**  
**SANBORN, CARTER AND BAZIN,**  
AND SOLD WHOLESALE AND RETAIL BY BOOKSELLERS GENERALLY IN THE UNITED STATES.

1855.

KG 4136

Eastern District of Pennsylvania, to wit:

BE IT REMEMBERED, That on the twenty-seventh day of August, in the fiftieth year of the independence of the United States of America, A. D. 1825, I. Irvine Hitchcock, of the said district, hath deposited in this office the title of a book, the right whereof he claims as author, in the words following, to wit:

"A New Method of Teaching Book-keeping, by the use of 1. Necessary Definitions and Universal Rules; 2. Interrogatory Exercises, or Oral Journalizing; 3. Practical Exercises, accompanied by Blank Books, and Directions for Using them; 4. Instructions for the Adjustment and Closure of the Leger, the Reopening of the Accounts in the Old Books, and the Transfer of them to New ones: accompanied by a Key, by the assistance of which Instructors are enabled to teach this art with facility and success to Youth of proper age and capacity; and Adult persons to acquire a knowledge of it without the help of a Teacher: the whole comprised in Fifteen Lessons, and the Rules and Instructions exemplified in two Sets of Books kept by Double Entry. To which are added (in the Key) Specimens, showing the forms of the most important Auxiliary Books, connected, as such, with the preceding sets. Second Edition. By I. Irvine Hitchcock, Accountant and Teacher."

In conformity to the Act of the Congress of the United States, intituled, "An Act for the Encouragement of Learning, by securing the copies of Maps, Charts, and Books, to the Authors and Proprietors of such copies, during the times therein mentioned;" and also to the Act, entitled, "An Act supplementary to an Act, entitled, 'An Act for the encouragement of Learning, by securing the copies of Maps, Charts, and Books, to the Authors and Proprietors of such copies during the times therein mentioned,' and extending the benefits thereof to the arts of designing, engraving, and etching historical and other prints."

## RECOMMENDATIONS.

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The following extracts from letters addressed to the author, may serve to indicate the general sentiment concerning the work.

I do not hesitate to pronounce Mr. Hitchcock's System of Book-keeping, in my opinion, superior to any other treatise I have yet seen.

"GEO. DENNISON,  
"Teacher of Select School for Boys, College Avenue, Phila."

"We are convinced that in point of utility, it is superior to any other that has hitherto appeared.

"W. B. TAPPAN & S. M'L. STAPLES,  
"No. 2, Sansom street, Philadelphia."

"It appears to me to excel in ease and perspicuity every other system, with which I am acquainted. I presume it requires only to be known, to be generally adopted; and it cannot fail to make that department of knowledge of which it treats, more pleasant and useful to the pupil.

"WM. BALLANTINE,  
"No. 166, S. Tenth street, Philadelphia."

"It gives me pleasure to say that I think it the most happy 'Method' I have seen of attaining that important art.

"JOSEPH HOXIE,  
"Teacher, New York."

[After using it two years in his school, Mr. Hoxie, in a letter to the author, says—"Your Book-keeping is, beyond comparison, the best in the United States."]

"I am convinced, that for simplicity of arrangement, perspicuity of style, and complete adaptation to the capacities of youth and ease of instructors, it is preferable to any thing of the kind which has fallen under my observation.

"AARON M. MERCHANT,  
"One of the Proprietors of Union Hall Academy,  
corner of Oliver and Henry streets, New York."

"I think it is altogether better calculated to facilitate the acquirement of that important branch of Mercantile education at school, than any other work of the kind which has fallen under my notice.

"J. C. HART,  
"Principal of the Mechanics' School, New York."

"We are decidedly of opinion that it is better calculated to give correct instruction in that most useful art than any other work which we have yet seen.

"JOHN KENNEDY,  
"WILLIAM SMITH,  
"Accountant, Philadelphia."

"The division and classification, as also the terms of expression, together with the Key of explanation, are more natural and easy to be understood than any thing I have heretofore seen. I therefore give our work a decided preference over any other which has come to my knowledge.

"LEBBEUS CHAPMAN,  
"Accountant, New York."

"It is so simple that most persons even without an instructor may, diligence, acquire a competent knowledge of the art. We therefore commend it as a useful book for either schools or individuals, for teaching or acquiring this useful branch of knowledge.

"G. EHRENZELLER,  
"GEORGE A. BAKER,  
"JOHN WILLIS."

"We are of opinion, that the mode of making the learner fully comprehend the fundamental rules, and actually working by them each entry in succession by journalizing and posting without copying from printed books, as by former methods published, is very conducive to his improvement, and tends to establish the principles firmly in his mind.

"EZEKIEL M'SHANE,  
"WILLIAM WARD."

"The system laid down is in my opinion well calculated to secure the object had in view by the author, and if strictly attended to by the learner, will be the means of his acquiring a very correct and scientific knowledge of the art. I deem it a valuable acquisition for the use of schools.

"JOHN BACON."

The following Resolution was adopted by the Philadelphia Academy of Teachers, Dec. 6, 1823.—"Resolved, That the 'New Method of Teaching Book-keeping,' by Mr. Hitchcock, is well calculated to familiarize the pupil with the theory of the science, and with the practical occurrences of the Counting-house, and consequently to facilitate the teaching of that important branch of a mercantile education. It is therefore warmly recommended to teachers and accountants."

"Boston, August 4th, 1825.

"Mr. Hitchcock's system of Book-keeping I consider as decidedly the best, for the purposes of instruction, that has hitherto been published in the United States. It is at once concise, copious, and minute; and its decidedly practical character gives it a high value, both to the pupil and to the instructor, as well as to young men actually engaged in business. I have experienced much benefit from the use of it, in my own practice in instruction; and I can cheerfully give it my warmest recommendation.

"WILLIAM RUSSELL,  
"Formerly Principal of the New Township Academy,  
and Instructor of the Hopkins Grammar School, New Haven."

"I freely say, that both the plan and execution of the work (Hitchcock's Book-keeping) have my entire approbation. I consider it a useful and valuable acquisition to our Seminaries of Learning, and highly worthy of their patronage.

"J. V. N. YATES,  
"Acting Superintendent of Common Schools,  
for the state of New York."

"This system has, after repeated trials and comparisons, been pronounced superior to any other heretofore published. The ease with which the learner finds all the complex parts of Book-keeping explained, has astonished the most incredulous, and banished the idea that a boy must attend for months to learn so simple but necessary a branch of education."—[Literary Register.

"We have recently met with a treatise upon this subject, (Book keeping) which appears to place the study within the comprehension and acquirement of any lad who has received the customary rudiments of an ordinary English Education—and it is from its construction peculiarly adapted to general schools, as every means of acquiring an understanding of his subject is offered to the pupil, while no opportunity is afforded of presenting his teacher with a transcript of the author's examples. The work alluded to is the production of Mr. Hitchcock of this city, and will, we think, be found to answer the purposes of schools much better than any other treatise ever offered; indeed, so lucid are the directions, that we believe any young man might, by the aid of this work and the accompanying Key, acquire a practical knowledge of Book-keeping in a few weeks."—[U. States Gazette.

## P R E F A C E.

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It is clearly the duty of an Author, when he brings a new book before the Public, to make known his motive, the object, or the purpose of his production, and to state the claims upon public patronage which he conceives that it possesses. In conformity with this very reasonable duty, the Author of the following Treatise will briefly state *his* reasons for publishing it, and to the number of publications on the same subject.

The purpose of the present work is two-fold : 1. To supply schools with a treatise adapted to the objects of teaching and learning Book-keeping scientifically; and, 2. To furnish persons of mature age with the means of so learning it without the necessity of employing an instructor.

In a country essentially commercial like the United States, it is doubtless highly necessary, that the art of Book-keeping, so vitally essential to the success of speculative pursuits, should constitute a part of the education of youth. It is of course that it should, especially in commercial towns, be considered an important branch of study in schools. It is aware that some persons object to a school, as an unfit place in which to learn Book-keeping, and prefer for that purpose the counting-house, "where," say they, "the art may be learned *practically* at once." The same objection to the school is also made, and argument in favour of the counting-house, are applicable, and with equal propriety and force, to writing and arithmetic. They are all taught in *some* schools in a manner so imperfect, that they are hardly applicable to real life when wanted for the purpose. Yet a *good* school is the fittest of all places for learning each of them. The prejudice against learning Book-keeping at school has arisen from the fact, that few persons have succeeded in acquiring the knowledge of its principles as enabled them to apply it to business, for there is probably no other branch of knowledge usually taught or attempted to be taught in our seminaries, even those of good general reputation, with less success than Book-keeping.

This is owing partly to the want of adaptation of the treatises in use to the purpose intended by their authors, and partly to the very culpable inattention of teachers to this circumstance, and consequently to a remedy for the prevention of the consequences of it.

The want of adaptation of the treatises on Book-keeping extant to the use of learners, consists chiefly in the fact that they are uniformly composed (I mean the practical part of them) of complete sets of books, that is, of sets of books containing all the rules, journalized, posted and closed. To this there are two objections:

The first is founded upon the facility which such books afford for a pupil's passing through his treatise without exercise, and consequently without benefit. Schoolboys generally are aware, that it is *easier* (and with them the consideration of *easiness* in doing their work is often paramount to that of improvement) to *copy* the Journal and Leger from a printed book, than to make them by a knowledge of principles and rules from the proper sources; and schoolmasters have often experienced less perplexity by permitting the illicit practice, than they would by attempting the correction of it, and thus, strange as is the fact and absurd the practice, this *cobbling* method of teaching and learning Book-keeping is almost the only one pursued in our schools. It would not be more preposterous to undertake to learn a language by merely copying books printed in that language, than it is to expect to learn Book-keeping by the like means.

The other objection is, that there are few persons, if any, even of mature years, who, being ignorant of the principles of Book-keeping, can on examining a set of books completely closed, form a correct notion of the manner or process by which their closure was effected; and consequently there are few, if any, who can learn Book-keeping from these treatises without the help of a teacher.

The following work is constructed upon a new plan, having for its object the correction of both these evils: so far the author has succeeded remains to be proved by experiment. After the proper preliminary description of the art, Books to be used and a statement of the rules of the art, Interrogatory Exercises in Journalizing, to be answered or written on the slate by the learner, are introduced, *but the answers are withheld from him*. These exercises are followed by two series of Original Entries or Day-Books, *but the Journal expression of them is not given*. Blank pages, neatly ruled and prepared, is given him for a Leger, *but he must form it himself from his own Journal*. Yet the answer to the interrogatories, the Journal expression of every Original Entry, and the *result* though not the *detail* of the posting of the Leger ascertained monthly and at the time of closure, are all contained in the Key, to which there is a perfect facility of reference by numbers from the Questions and Original Entries. Thus it will be impracticable for the learner to determine instantly any doubt he may entertain respecting the right answer to an interrogatory, the correctness of his Journal post, or of the posting of the Journal to the Leger. All that is necessary to insure the mental exercise of the learner, and the complete freedom of the teacher from perplexity and hinderance, is for the latter to keep his Key secure from the hands of the pupil; and on the degree of strictness which shall be exercised by instructors in this particular, will chiefly depend their success in the use of this treatise.

It seems necessary still to combat an erroneous notion, which has always very much prevailed notwithstanding frequent contradictions of it by good authorities. It is thought by many persons, that in learning Book-keeping the form or manner of keeping the books, particularly the Journal, is important; that is, that the learner will be un-

subsequent practice, without being particularly taught it as at first, to keep books in any other form than that in which he first learned the art.

This is an error, differing in nothing but its prevalence, from that of believing that a person taught to *read* in a certain book or kind of book, would never be able to read in any other. The principles of Book-keeping, like those of reading, are general, and once known in *any* form or kind of books, are applicable with the greatest degree of facility to any other in the same language.

It follows then, that the most plain, simple, and easy form ought to be adopted for a school-book. Hence, in the following first set of books, a form of the Journal is practised which the author deems most eligible for a beginner in learning the art, but by no means so in most kinds of mercantile business. It was selected entirely on account of its simplicity, its freedom from technical verbosity, and consequent easiness for a pupil in his incipient practice.

In the second set, a method or form of journalizing is introduced, which the author confidently recommends for real business. But it was impossible to exhibit it perfectly in a *printed* book. It is intended that in blank books for this form, the money columns for the Drs. and the Leger-folio-column for the Crs. which come in the middle of the page, shall be formed with either faint lines, or red lines so fine that they shall not injure the appearance of the page for original or narrative entries, which must of course be made across them.

An important advantage in the use of this form of Journal is, that the difference of space requisite for an Original Entry and that for the Journal expression of it, causes no waste of paper, as in the form used in the first set. For instance, if the Original Entry of an invoice occupy the whole of a page, and there be but one Dr. and one Cr. in the Journal expression, in one of these forms (that of the first set) the whole of the right-hand page, except one line in the middle, will be blank and waste; but in the other form (that of the second set) there will be no space lost, for one line only at the bottom is required for the Journal expression.

Another advantage of this form of the Journal is, that any narrative entry or memorandum, whether it require journalizing or not, may be made with equal propriety, and without injuring the appearance of the page.

In short, by the use of it the Day-Book and Journal are *united*, and thus a considerable expense for blank books and more than half the labour of keeping accounts in the old way are saved, and the work is less exposed to being disfigured with errors and alterations.

### *General View of the Contents of this Work, and Directions to Teachers concerning the use of it.*

The two quarto books only are for the use of pupils. In these are the instructions necessary for a knowledge of the principles of book-keeping, and also blank books for practice.

The Key contains—1. The Answer to every Interrogatory in the journalizing exercises; 2. The Journal expression of every Original Entry; 3. The Monthly Proof, Trial Balance, Profit and Loss and Balance sheets belonging to the Leger of both sets of books; 4. Specimens of some of the more important Auxiliary Books, relating as each to the two sets which compose the practical part of this treatise; and, 5. The method of opening and closing the books of a general partnership concern.

This book is for the use of Teachers only. It is designed to relieve them of the perplexity and hinderance which they would otherwise experience in closely examining all the work of their pupils; and likewise for the assistance of those who teach themselves.

It is highly important that this book be carefully kept out of the sight of pupils in schools. If boys find means of consulting a Key at pleasure, (and from the author's experience in teaching them, he judges that they will not generally lack inclination to do so), the original and principal purpose of the work, which is to prevent learners from imitating upon their teachers with *correct* results *falsely* obtained, will be frustrated, and the good effect resulting from the mental exercise of the pupil will be lost. The author therefore earnestly recommends instructors a rigid attention to this direction.

The Lessons into which the study of the subject is divided in this work, do not follow each other according to numerical order in immediate succession in the books. However desirable for the sake of simplicity such an arrangement was, it was nevertheless found incompatible with one of the author's main objects—that of observing the gradual progression from the simplest and easiest parts of the learner's task to the most complex and difficult. In pursuance of this object, he has been obliged to transpose the order of the Lessons in the text, and to pass from the Journal to the Leger and back again several times. But to prevent all uncertainty in the pupil's mind, he interspersed "Directions to the Learner," wherever they were requisite, to guide him in his progress. These being regarded, no inconvenience can be experienced by the learner from the transposition.

#### COURSE OF STUDY.

##### FIRST SET OF BOOKS.

The first Lesson is a description of the books to be used in book-accounts.

II. The second consists of the usual nomenclature of accounts, and the rules for making them debtor and creditor.

III. The third is an application of these rules in a series of Interrogatories in Journalizing, to be answered by the pupil, either orally or on a slate, the teacher at the same time comparing each of his answers with that found in the Key.

IV. The fourth is an exercise in journalizing a number of Original Entries, comprising the opening and conducting of the Journal in the manner of a person trading solely on his own account.

V. The fifth consists of a set of rules for proving the correctness of journalizing, and an application of them to the Journal of the fourth Lesson.

VI. The sixth Lesson comprises directions for the opening of the Leger, the posting of the Journal of the fourth Lesson thereto, and the proof of that posting.

VII. The seventh embraces the necessary directions for keeping accounts of Shipments and Consignments *to* and *from* the merchant, both on his own account and on that of others, that is, Commission accounts; and an interrogatory Journal exercise adapted thereto.

VIII. The eighth Lesson is a practical exercise upon the last, being a set of entries in Shipping and Commission business, to be journalized, posted and proved, as the fourth Lesson was.

IX. Lesson ninth is composed of directions and rules for keeping Special Partnership accounts, with an interrogatory Journal exercise adapted to it.

X. The tenth Lesson is an exercise in journalizing, posting and proving a set of entries containing Partnership transactions.

XI. This Lesson is composed of directions and rules for proving the Leger by the Trial Balance, making the Closer sheets, closing the first set of books, and reopening the Leger.

#### SECOND SET.

XII. XIII. and XIV. These three Lessons consist of a series of Original Entries, to be journalized and posted, as those of the last set were. These entries, however, are generally more difficult than those, affording an exercise adapted to the learner's ability at this stage of his advancement in the art.

XV. The second proof and closure of the Leger constitutes Lesson fifteenth, which completes the proposed course of instruction.

# A NEW METHOD OF TEACHING BOOK-KEEPING.

## INTRODUCTION.

1. BOOK-KEEPING is the art of recording the transactions of trade

2. The purpose of it is two-fold: 1, To exhibit the true state of accounts with persons with whom we deal; and 2, To show the gain and loss by Trade.

3. The first of these purposes was formerly the only one accomplished by Book-keeping, and that by making the person debtor for what was delivered to him, and creditor for what was received from him. Thus for each business transaction there was made one single entry or Leger post on the Dr. or Cr. side of a personal account only (60). This is what is now distinctively called *Book-keeping by single entry*.

4. But at length the Italians invented a method of keeping accounts so as to accomplish both the purposes

above-mentioned, (2) which consists in balancing debit with a corresponding credit of equal amount *vice versa* (24); and hence for every business transaction there are made *two* entries in the Leger, one on the Dr. side of an account, and the other on the Cr. side of the same or another account. This is called *Book-keeping by double entry*.

5. The art of keeping accounts is important to every person who transacts pecuniary business in any way by the merchant, manufacturer and mechanic, book-keeping by double entry ought to be considered quite indispensable, for by it and by no other method can a dealer at any time ascertain with facility and certainty his real position.

## NECESSARY DEFINITIONS AND RULES.

### LESSON I.

#### *Names, Description and Uses of the Books to be used.*

6. According to their relative importance, books of accounts may be divided into two classes, *Principal* and *Auxiliary*.

#### PRINCIPAL BOOKS.

7. These are, 1. *The Book or Books of Original Entries*; 2. *The Journal*; and 3. *The Leger*.

#### ORIGINAL ENTRIES.

8. In a set of Books there must be always one book or more, in which every transaction of business, as soon as it transpires or is known by the book-keeper, must be recorded or entered without delay, in plain and unequivocal language.

9. The importance of this record (called the ORIGINAL ENTRY,) may be inferred from the fact, that it is the only one which is ever received by courts as evidence in litigated cases.

10. *Notes*.—By some accountants these entries are all made in one book, called the Waste-Book or Day-Book; and sometimes duplicate entries are likewise made in auxiliary books, one of which is kept for each grand division of business, as a Cash-Book, Bill-Book, &c.

11. Others dispense with a Day-Book, making their original entries in a Cash-Book, Bill-Book, Invoice-Book, and Sales-Book; and journalize from these.

12. Others again make the Journal the Book of Original Entries, or rather journalize the original entries in the same book and at the time of making them, sometimes keeping also auxiliary or collateral books.

13. This last method is probably preferable to any other on account of the consequent saving of writing (349).

14. Anciently the original entries were made in the Leger itself.

15. At commencement of business an inventory of owner's effects or property which is to be employed in trade, all Notes and Obligations payable to him, the due him on Book Account, and indeed whatever business assets, is made and entered on the proper Book or of Original Entries (284); and also,

16. In another entry, an inventory of the debts due to him to others on Notes, Bonds, and Book Account.

17. After this, every transaction of business which affects the owner's stock or property is to be entered recorded (286, &c.), with its date, according to the following

#### GENERAL RULE.

18. As far as the case will admit, express the circumstances in the following order:

1. The date . . . . . say January 1, 1880
2. The transaction . . . . . Bought of, or Sold to
3. The person . . . . . Samuel Archer,
4. The payment or terms { for Cash,—on a Bill  
or on Account
5. The quantity and description { 500 yds. Superfine  
Cloth,
6. The price and amount . . . At \$10 per yd. \$5000

#### OF THE JOURNAL (7).

19. The purpose of the Journal is to exhibit the original entries of accounts, prepared from the Original Entries, posted into the Leger, their last and grand stage (2).

20. The Journal expression of every business transaction consists of these three cardinal particulars:

1. The full and fair statement of the Dr. and Cr. titles of accounts;
2. The reason or explanation *why* such title or account is debited or credited; and
3. The sum for which it is debtor or creditor to be fairly and plainly expressed in figures.

21. The Journal is kept in various forms, embracing always the three cardinal points above-mentioned (349).

22. It has usually been kept in a book separate from that of the Original Entry; but the union of these books, by making the Journal expression accompany the original entry in the same book, is a modern and important improvement (13). When this is done (which method will be pursued in two forms in the following two sets of books), the titles of the Dr. and Cr. accounts, and the sum in figures only are written—the original entry being at all times a sufficient explanation (20).

23. *Note.*—In Book-keeping, the *left-hand side* of a folio or page is always the *Dr.*, and the *right* the *Cr.* (407 L.\*)

\* In references, L stands for *Leger*, and K for *Key* to this work.

24. In forming the Journal posts, this fundamental rule must be always observed, *that the amounts of the Dr. and Cr. sides of every entry be equal* (4).

*Note.*—The rules for Journalizing will be given hereafter (72, &c.).

### OF THE LEGER (7).

25. The Leger is the chief or grand book of accounts, which all the others are subservient.

26. It consists of a statement of every account which the owner keeps, in a space particularly appropriated for, which statement is composed of items collected from the Journal (410 L.), with a reference to the page of the Journal from which each item is taken.

27. Originally it was the only book kept. Accounts were opened in a wide Leger, and the original entries were made upon the proper account and side (14); which method, when the transactions occurred seldom, superseded the necessity of keeping them in historical form, which in more extensive business has since been adopted.

28. In the Leger each account has a Dr. and a Cr. side, which are opposite to each other and ruled alike (23).

29. In it the owner opens such accounts as he deems necessary or convenient in conducting the different branches of his business, that from them, he can, at any time, determine his nett gain or loss, and obtain a correct statement of his affairs generally.

30. To the Leger belongs an alphabetical index of all accounts in it (446 L.).

*Note.*—A general balance of the Leger is customarily made at the expiration of every six or twelve months. The method of balancing this book shall be hereafter shown.

### AUXILIARY BOOKS.

2. These are, the

<i>Cash-Book,</i>	<i>Inventory-Book,</i>
<i>Bill-Book,</i>	<i>Expense-Book,</i>
<i>Receipt-Book,</i>	<i>Book of Accounts Current,</i>
<i>Journal-Book,</i>	<i>Copy-Book of Letters,</i>
<i>Commission Sales-Book,</i>	<i>Postage-Book, and</i>
<i>Receipt-Book,</i>	<i>Sundry Memorandum Books.</i>

3. The purpose of the Cash-Book is to contain a record of the daily receipts and disbursements of cash, with dates and other particulars. It ought to be balanced every evening after business.

4. The Bill-Book is that wherein all Bills both receivable and payable are to be registered, in such form

as that all the important particulars concerning them shall be clearly expressed.

35. The Invoice-Book is to contain either copies or abstracts of all invoices and bills of parcels of goods and wares *received* by the merchant, whether by purchase, consignment, or otherwise.

36. The Sales-Book is to contain a very particular statement of every *delivery* of goods or wares in the merchant's possession, whether by sale, shipment, or otherwise.

37. The Commission Sales-Book is that in which is expressed a detailed statement of a Factor's disposal of wares in which others are concerned, and of the expense to him of such consignment or Co. wares while in his possession.

38. The five books above described are sometimes used for Books of Original Entries (11), and sometimes for only Collateral Books (10).

39. The Receipt-Book. Its use is sufficiently known without description.

*Note.*—This and the Cash-Book are very necessary to be kept, not only by the general trader, but by every person who receives and pays money.

40. The Inventory-Book is to contain all inventories of property, taken at the opening and closing of books (15).

41. The Book of Charges or Expense-Book contains a detail of the expense of the owner's commerce or house, or both.

42. The Book of Accounts Current contains copies of the accounts which the merchant has drawn out and sent to his customers or employers.

43. The Copy-Book of Letters contains a copy of every letter of business which the merchant sends to his correspondents.

*Note.*—Letters of business *received*, are preserved on file and not copied.

44. The Book of Postage of Letters contains, in a space peculiar to each employer's account, the date and cost of every letter received on his account.

*Note.*—Forms of the more important Auxiliary Books are inserted in the Key of this work.

### Questions on the foregoing Lesson.

What is Book-keeping?

What is the purpose of Book-keeping?

What is said of the ancient state of this art, and what is that now called?

By whom was the art improved, and what is it called in its improved state?

What further is observed of it as a useful art?

What classification is made of Books of Accounts?

How many Principal Books are necessary in a set? and by what names are they designated?

What say you of Original Entries? and what particulars are requisite to be observed in making them?

What is said of the peculiar importance of this record, *i. e.* the Original Entry?

What is said of the practices of different accountants respecting the Book or Books of Original Entries?

Which of these methods is said to be preferable to the others, and for what reason?

What was the ancient Italian method of making original entries?

What is the first thing to be done in opening a set of Books?

What is to be done after this?

What is the general rule or order of particulars in an Original Entry?

What is the purpose of the Journal?

Of what does a Journal expression consist?

## A NEW METHOD OF TEACHING BOOK-KEEPING.

What is said of the form of the Journal?  
 How has it usually been kept, and what improvement is mentioned?  
 Which side of an account is always Dr. and which Cr.?  
 What fundamental rule is to be always observed in journalizing?  
 What is the Leger?  
 Of what does the Leger consist?  
 What is said of the ancient Leger, and of the ancient practice of accountants?  
 Describe an account as it stands in the Leger.  
 What rule does an accountant observe in opening accounts in his Leger?  
 What appendage has the Leger?  
 What is customary with regard to the time of closing the Leger?

Enumerate the usual Auxiliary or Duplicate Books.  
 Describe the Cash-Book.  
 Describe the Bill-Book.  
 Describe the Invoice-Book.  
 Describe the Sales-Book.  
 Describe the Commission Sales-Book.  
 What is said of the five foregoing Books?  
 What is said of the Receipt-Book? and also of the Cash-Book?  
 Describe the Inventory-Book.  
 Describe the Expense-Book.  
 Describe the Book of Accounts Current.  
 Describe the Copy-Book of Letters.  
 What is done with letters of business received?  
 Describe the Postage-Book.

## LESSON II.

### SECTION I.

#### *Classes, Description, and Titles of Accounts.*

45. The accounts used in Book-keeping by double entry may be systematically divided into three classes or kinds, viz.

Those of Effects or Property, styled *Real Accounts*.

Those of Debts due to and by the owner, ..... } *Personal Accounts*.

Those of Gains and Losses, ..... } *Fictitious Accounts*.

#### REAL ACCOUNTS.

46. Real Accounts are those which are kept with property or Effects (45). These are described, and the titles under which they are usually kept in the Leger designated in the following table:

DESCRIPTION.	TITLES.
47. Specie and Bank Notes,.....	<i>Cash</i> .
48. My own Wares or Merchandise,.....	} <i>Merchandise.*</i>
49. Merchandise under my direction for myself and others in Co.....	
50. Interest or Stock in a like Co., under another's direction, .....	} <i>Adventure or Stock in Co.</i>
51. Wares or Merchandise consigned to me, to be sold for another person's account (i. e. on commission),.....	
52. Wares or Merchandise consigned to another, to be sold for my account (on commission), .....	} <i>Shipment or Consignment to — (naming the place).</i>
53. Shares or Stock in a Banking or other corporate Company or concern, .....	
	} <i>That Company (naming it) Stock, or Stock in — (naming the Co.)</i>

54. \* The Merchandise Account may be divided into branches, and kept under specific or less general titles, such as Broad Cloth, Brandy, Domestic Goods, and Foreign Wares, when it is desired to keep the account of gain or loss on each branch separate.

DESCRIPTION.	TITLES.
55. Ships,.....	<i>Ship — (naming)</i>
56. Houses and Lands,.....	} <i>Real Estate in — (naming the place)</i>
57. House Furniture, and moveable property of every description, .....	
58. All Obligations, such as Bills of Exchange, Bonds, Bottomry Contracts, Promissory Notes, &c. which are payable to me or to my order,.....	} <i>Moveables.</i>
59. All Obligations of the same description, Acceptances, &c. payable by me,.....	
	} <i>Bills Receivable.</i>
	} <i>Bills Payable.</i>

#### PERSONAL ACCOUNTS (45).

60. Personal Accounts are those kept with the person with whom we deal, and are the only ones kept by entry (3).

61. The title of a Personal Account ought always to be the legal name or title of the person, firm, or company represented: as John Smith; H. C. Carey & I. American Insurance Co., &c.

62. *Note.*—This, in the author's opinion, is the only description of personal accounts necessary, under any circumstances, to be kept. Several refined descriptions are used by some accountants—by few however, at present. In the United States, according to Mair's System, published in 1742, which is very elaborate, a name or personal title may be used in eleven different manners for the title of many distinct and different accounts. Thus A. B. may be in situations which require that all of the following accounts be kept with him:

- |                                |                                |
|--------------------------------|--------------------------------|
| 1. A. B.                       | 7. A. B. my account proper.    |
| 2. A. B. his account proper.   | 8. A. B. my account in Co.     |
| 3. A. B. his account in Co.    | 9. A. B. my account on time.   |
| 4. A. B. his account on time.  | 10. A. B. my account current.  |
| 5. A. B. his account current.  | 11. A. B. my account of goods. |
| 6. A. B. his account of goods. |                                |

But this system of complication and false refinement has long since given to one far more simple, and equally efficient for every purpose but that of exacting the ingenuity and vigilance of the book-keeper.

#### FICTITIOUS ACCOUNTS (45).

63. These are fictitious titles, the purpose of which is to represent the merchant himself, his gains, and his losses, and to enable the book-keeper to close Real and Personal Accounts.



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## A NEW METHOD OF TEACHING BOOK-KEEPING.

### LESSON III.

#### *Application of the foregoing Rules in a series of Interrogatory Exercises in Journalizing.*

##### DIRECTION TO THE LEARNER.

The following interrogatories are to be answered on a slate. The learner will need some assistance by his teacher in *beginning* this exercise. When he shall have done a few entries, he must have them compared with the answers in the Key.

##### EXPLANATION OF THE REFERENCES.

The Numbers standing before the Questions refer to corresponding Numbers in the Key, where the answer to each Question may be found. Those in the midst or at the end of Questions refer to corresponding Numbers in this book. The learner ought to study the rules contained in the last lesson, till he can answer the questions without using the Key, which is intended for the assistance of Teachers only, including self-teachers. (281)

##### OPENING OF BOOKS (81 to 84 incl.).

###### *What shall be your Journal Expression—*

86. If you commence business with Cash (47) only, \$45,000?

87. If you commence with Cash, \$10,000; Goods in Store (48), \$10,000; a Farm or Plantation (56) worth \$10,000; Notes and Bonds which you hold against others (58), \$10,000; and a Balance on Book Account against B. (60, 61) for \$5,000—in all \$45,000?

88. *Note.*—When there are Several or Sundry Drs. or Several or Sundry Crs. in one Journal expression, the term *Sundries* is used to represent the whole of them united.

89. Likewise the word *To* is often technically used between the Dr. and Cr. titles. By this phraseology, it is not meant that the first mentioned person or title owes any thing to the latter, but it is a brief and customary method of expressing what the first is a Debtor in the present instance, and the latter a Creditor.

90. In like manner *By* is used between a Cr. and a Dr. Thus A. Dr. to B.—o Cr. by A. To answer the last question, then, you must say, "Sundries Drs. to \_\_\_\_\_."

91. If you owe at commencement of business on Notes, Bonds, or other obligations (59), \$5,000; and to C. on Book Account, \$500; and to D. on do. \$500—in all \$6,000?

*Note.*—Answer "——— Dr. to Sundries."—i. e. Several Crs. (88).

92. If you commence with property of any kind, and owe nothing, how many, and what entries will you make?

93. If you commence having no property of any kind, and owe sundry persons on account?

##### PURCHASING.

###### *What shall be the Journal Expression of yourself to be called A. and of your neighbour B. respectively—*

94. If you buy Goods of him for ready money, \$1000? (65).

95. If, instead of Cash, you give him your Note for the Goods?

96. When you afterwards take up the Note with Cash?

97. But if, when you buy the Goods, you give in payment for them Cash, \$500, and your Note for \$500.

98. If you give, besides the Cash, instead of your own Note that of Samuel Archer, due you for \$500?

99. If you buy said Goods of B. on Book Account?

100. If you afterwards call and pay the Account in Cash?

101. If you give him your Note instead of money?

102. If you afterwards take up said Note with Cash, \$500, and a new Note for the other \$500?

103. If you finally pay the last Note of \$500 in Goods?

##### SELLING.

104. If you sell Goods to B. for ready money, \$

105. If, instead of Cash, you receive his Note \$1000?

106. If he afterwards take up his Note with \$1000?

107. But if he give you, in payment of said Note, \$500, and C.'s Note for \$500?

108. If C. afterwards pay said Note of \$500 in Br

109. If, instead of paying said Note, C. fail and lose the amount?

110. If you sell B. goods on Account, \$1000?

111. If he afterwards pay you the Cash for the ar

112. If, instead of paying you, he fail and you lo debt?

113. If you lose but half the amount, \$500, a give you Cash for the balance, \$500?

114. If, instead of Cash, he give you Household niture, \$500?

##### PROMISCUOUS TRANSACTIONS.

###### *What shall be your Journal Expression—*

115. If you purchase the ship Electra (55) for \$21 and pay in Cash, \$10,000; and give a Bond and gage (59) on Real Estate for the other \$10,000?

116. If you pay six months Interest (69) on said \$300?

117. If you pay \$150, for repairing said ship?

118. If you receive a Note for \$2000, for freig said ship?

119. If you get her insured, for which you give Note for the Premium, say \$250?

120. If you sell the ship Electra for \$25,000, an ceive in payment a House and Lot (56) in Arch s valued at \$20,000, and a Bill on London for the bal \$5000?

121. If you pass said Bill to B. to take up your Note due him?

122. What is B.'s entry for this?

123. If you get your House insured by the Ame Insurance Company, and give in payment B.'s Note v you hold against him for \$500?

124. If you pay ground rent, \$250?

125. If you get for rent of your house, \$500?

126. If you pay for repairing it, \$50?

127. If your house be burnt, valued at \$18,000? (

128. If you receive from the Insurance Compar payment, a Note of yours for \$5000, B.'s ditto for \$5 and Cash, \$8000?

129. If you sell your Plantation in Virginia, for \$12, and receive therefor Union Bank Stock (53) to the amount?

130. If you receive a dividend on said Stock of \$

131. If you sell said Stock for Cash, \$12,600?

132. If you lend to B. on Bond and Mortgage, \$10 Cash?

133. What shall be B.'s entry for this?

134. If you receive six months Interest on said B \$300?

135. What shall be B.'s entry?

136. If you finally sell the property at vendue for Cash to pay the Mortgage, principal \$10,000, interest due thereon \$1800, amount \$11,800, and return the overplus \$500 to B.?

*Note.*—Your entry must be made for only \$11800. You must exclude from it the \$500 because it was not yours (72). But B. in his entry (137) must include the \$500, making the whole amount \$12300.

137. What shall be B.'s entry for this?

138. If you receive from B. his note for \$200, for insuring (68) \$20,000 on his ship, the Rover, bound to London?

139. What entry shall B. make therefor?

140. If said ship be lost on her passage, valued at \$20,000?

141. What entry shall B. make for the same?

142. If you, in payment for the said ship, give up B.'s Note (138) for \$200; a Bill due you for \$5000; your own Note for \$5000; and goods from store for balance, \$9,800?

143. If you exchange Notes with B. for your mutual accommodation, i. e. you receive his Note and give him yours, each for \$600, for the purpose of procuring money at the Bank?

144. What shall be B.'s entry for the same transaction?

145. If you get B.'s Note discounted at Bank, and receive Cash, \$593.70, allowing discount, \$6.30?

146. If you buy at Auction 10 pieces Carpeting for Cash, \$1000, and before you go home sell the same for Cash, \$1200?

147. If you receive from the executors of your father's will, Cash, \$10,000?

148. If you lose a Bank Note for \$100?

149. If you buy a quantity of Household Furniture for Cash, \$400? (57)

150. If you buy a Suit of Clothes (66) for \$100, and a Gold Watch (57) for \$200?

151. If you pay for rent of your house \$500, and family expenses \$1000?

152. If you go to Niagara Falls and spend \$500?

153. If you bet \$500 upon a horse race and lose the stake?

154. But if you win?

#### DIRECTION TO THE LEARNER.

When the learner shall have made himself thoroughly master of the matter contained in the foregoing three lessons, (but not till then) he may proceed to the directions beginning with article 276 and thence to the 4th lesson, art. 284

## LESSON V.

### *Detection and Correction of Errors.*

155. To ascertain whether you have journalized correctly, according to the nature of the original entry, cover the Journal page with a piece of paper, and then go carefully and deliberately over your work again, considering attentively the nature of the original entry. When you have mentally formed your Journal from it, uncover your written Journal and see whether it correspond. Thus proceed through all your work, correcting errors, if you find any, in the neatest manner according to the following directions.

*Note.*—The foregoing direction may be quite unnecessary in counting-house practice; it is intended particularly for learners.

156. At the foot of each Journal page, add the money columns of both sides, writing the result on waste-paper, and see whether the amounts agree, which they ought of course to do (24, 437, L.).

157. *If an original entry have been omitted—*

Insert it in the first vacant place, with a reference to the proper place and date, and an explanation of the error.

158. *When you have made an entry twice, or rather, two entries for the same transaction, and have not posted both to the Leger—*

Write with red ink on some part of the redundant entry, or on the margin at the left hand of it, the word *duplicate*, and omit to post it, prefixing to each of the erroneous titles, instead of the Leger folio, a little star to denote error.

159. *But if both entries have been posted—*

Let the Journal remain unaltered; the error must be corrected by a *cross* (original) entry (342), explanatory of the error, and journalized so as to correct the Leger. For instance, suppose I have journalized and posted twice, "*John Smith Dr. to Merchandise \$250.*" To correct the error, I make in the first vacancy an original entry, thus: "On page —, of this book, I have debited John Smith to Merchandise \$250, which is erroneous, because it was already

done on page —. Therefore, to correct said error, I now debit Merchandise to John Smith \$250."

Then journalize accordingly and post the entry, which will thus cancel one of the Leger posts on each account, and restore order in the Leger.

160. *When you have debited or credited a wrong account, or expressed a wrong sum, but have not posted it—*

Alter the title or figures if practicable without defacing the book. If you cannot do this, star the error, omitting to post it, and make a correct expression below, or in the first vacant place in the book.

161. *But if the error have been posted—*

Let the Journal remain unaltered, and correct the error by a cross entry (342), thus: Suppose you have journalized, "*Bills Receivable to Cash, \$500,*" instead of "*Bills Payable to Cash, \$500.*" Now Cash is rightly credited, but Bills Receivable is wrongly debited, and Bills Payable, which ought to be, is not debited at all. Therefore make in the first vacancy an entry explanatory of the error, and then journalize, "*Bills Payable to Bills Receivable, \$500,*" which when posted will restore order in the books.

*Note.*—If you had discovered this error before posting it, you should have altered the word *Receivable* to *Payable*. But this would avail nothing after the error was transferred to the Leger.

162. Again, suppose you have debited (and posted) "*Cash to Merchandise, \$1200,*" instead of "*\$1020.*" In the first vacancy, make an apposite original entry analogous to the following: "On the — page of this book, under date of —, I committed a Journal error in debiting Cash to Merchandise \$1200, instead of \$1020, amount of error \$180." Then journalize "*Merchandise to Cash, \$180,*" which restores order between the accounts.

163. Errors of other description may occur, but the foregoing directions it is believed will either be applicable, or will suggest the necessary mode of correction.

## A NEW METHOD OF TEACHING BOOK-KEEPING.

164. It may be assumed as a general rule that errors in the *Journal only* (i. e. not posted), or in the *Leger only*, when the Journal is right, may be corrected without recourse to a cross entry. But when a Journal error has been posted, this *double error* must be corrected by a new entry in the Journal regularly posted.

### *Questions on the foregoing Lesson.*

How will you ascertain whether you have journalized correctly according to the nature of the original entry?

What method of proof of the Journal are you directed to pursue?

How will you correct when an original entry shall have been omitted?

How, when you have made an entry twice and have not posted it to the Leger?

But if you have posted it?

When you have debited or credited a wrong amount or expressed a wrong sum in figures, but have not it, how will you correct?

But if you have posted it?

What is said of the correction of other errors?

What general rule is there concerning the necessary cross entries?

### DIRECTION TO THE LEARNER.

Having, in compliance with the directions in the Lesson, reviewed your journalizing and corrected if you found any, you may now open your Leger and Lesson 6, beginning with article 401.

## LESSON VII.

### *Factorage or Commission Accounts.*

#### SECTION I.

##### *Employer's Account.*

165. When you employ a Factor or Agent, and consign goods to him to be sold for your account (303), you are not to debit him therefor, but debit the Shipment or Consignment (52) for not only the cost of the goods, but for every expense attending it.

166. When you receive from him an account sales of the goods and no remittance, you are to debit his account (61) current for the amount of the nett proceeds,\* making no entry of the expense of selling them, which will be stated in said account.

167. \* The amount which the goods bring on sale above that of the expenses attending them, is called the *nett proceeds*. That which they bring above cost and charges is of course *nett profit*.

168. But if he have remitted you any thing in return, debit it (78) instead of your Factor, and in all cases credit the Shipment for the like amount.

169. If you consign goods to another, by his order and for his account, it is to all intents and purposes a sale, and must be treated as such.

#### SECTION II.

##### *Factor's Account.*

170. When you become Factor for another, and receive a Consignment from him to be sold for his account, you are not to credit him forthwith for the goods so received, but immediately make an original entry of the receipt of said goods and the expense incurred thereby, (315) and in the Journal debit the Consignment (51), (not the Consignor) for all *expenses* which you incur on their account, such as Freight, Duties, and other expenses, entering all these particulars at the same time in the Commission Sales-Book (37).

171. As fast as you dispose of the Consignment, credit its account for the sales.

172. If on having sold all or any part of a Consignment on another's account, you have to allow or refund an abatement in the price, for any damage or defect, or other cause, you must debit the Consignment for such allowance if its account be not closed.

173. But if the Consignment account be closed must debit the owner's account current therefor.

174. *Closure*.—When the Consignment is disposed you add to the Dr. side of the account (by an original entry) your charges for Commission, Storage, Advertisements and whatever else has not been entered (335).

175. You then subtract the less from the greater of the account, and debit or credit the Owner or Consignor for the difference, which of course closes the Consignment account.

176. You then copy from the Commission Sale (where the expenses and sales have been all recorded) the account closed as above directed, an *Account Sales* and transmit said copy immediately to your employer [See Form of Acct. Sales in Key, 580.]

177. If you receive goods consigned to you by order and for your own account, it is a purchase, and must be treated as such.

#### SECTION III.

##### *Drawing and accepting of Drafts, Bills, &c.*

178. When you draw on another, you are to credit his account for the amount of your Draft immediately.

179. If a Bill of Exchange be not duly paid, but is protested, the Drawer is chargeable for not only the amount of the Bill, but for all costs incurred, and, in certain circumstances, for damages for such non-payment.

180. When you pay or accept a Bill drawn on another, debit the Drawer, and (if you pay,) credit what you owe him, or (if you accept,) Bills Payable (59).

181. If you pay or accept a Bill drawn on another, save the credit or honour of the Drawer, (which would be injured by his Draft's being returned protested,) you must debit the Drawer therefor, and likewise for your Commission on the payment.

### *Questions on the foregoing Lesson.*

When you employ an Agent or Factor and consign goods to him, to be sold for your account, what are you to do, and what to open therefor, and what to debit that account for?

What entry shall you make when you receive an account sales of your goods and no remittance?

What is the *nett proceeds*, and what the *nett profit*?

But if your Agent have remitted you any thing in return with the account sales, what shall you make Dr. and what Cr.?

If you consign goods to another for *his* account, what shall you debit?

When you receive a Consignment from another to be sold for his account, what entries do you make; in what books; what do you debit and credit, and for what?

What entry or entries do you make when you dispose of the Consignment?

When, on having sold a part or all the goods so received, you have to make abatement in the price for damage or defect, what account do you debit therefor?

When the Consignment is all sold, what entry do you make on the Dr. side of its account? and in what book?

How do you ascertain the amount of the nett proceeds? and how close the Consignment account?

From what book do you make the account sales for the owner?

When you receive goods consigned to you by your order and for your own account, what entry of them do you make?

When you draw on another, what entry do you make of the transaction?

What, if your Draft be not duly paid?

When you pay or accept a Bill drawn on you, what entry do you make?

When you pay a Bill for the honour of another, what entry do you make?

### Interrogatory Exercises in Journalizing,

To be answered on the Slate.

*What shall be your Journal Expression—*

182. If you consign by the Minerva to John Smith of Liverpool, to be sold for your account, goods from store to the amount of \$10,000; pass your Note for the Insurance \$250, and pay sundry expenses in Cash \$250. Total \$10,500? (52).

183. If you have purchased the goods for said Shipment from B. for a Bill on London, which Bill you have just received from C. on his personal account, and no entry has yet been made of any of the transactions?

184. If the Ship and Cargo be lost on the passage?

*Note.*—Recollect the Shipment was insured (182).

185. If you receive of the Insurance Company your own Note passed to them, \$250, (182) and Cash for the remainder, \$10,250—in all \$10,500?

186. But if the Ship arrive safe, and you at length receive from your Factor, J. Smith, an account sales, nett proceeds amounting to \$15,000, but no remittance?

187. If you afterwards receive from J. Smith, your Factor, a Draft on Stephen Girard at 60 days sight, which he accepts for the amount \$15,000?

188. If the Draft was payable at sight, and you forthwith received the money therefor?

189. If your Agent, Smith, remit you instead of the Draft his account current, showing a balance against you in his favour of \$5000, and consign to you for your own account an invoice of Linen to the amount of balance \$10,000?

190. If the Shipment, above-mentioned (182), was made to Smith, pursuant to his order and for *his* account, your commission for purchasing at 2 per cent. amounting to \$210. Total \$10,710?

191. If you receive from John Smith of Liverpool, pur-

suant to your order and for your own account, \$10,000 worth of Wine; pass your Bond at the Custom House for duties \$2000, and pay freight and other charges on the same at landing \$500—in all \$12,500?

192. If you received this Consignment of Wine from Smith to be sold for *his* account, the Bonds and other charges being the same as before, i. e. \$2500? (191).

193. If you sell a quantity of Smith's Wine for Cash \$800?

194. If you receive for another parcel of said Wine \$500 worth of goods for your own store, and a Note for \$500?

195. If you pay Smith's Draft on you at sight for \$1000, in his goods \$500, and in your own \$500?

196. If you have to refund to a purchaser of Smith's Wine, Cash \$100, for some defect therein?

197. If you have to allow \$50 on the Note of \$500, which you hold, received for a sale of Smith's Wine, (194) and receive Cash for the balance \$450?

198. If having sold to sundry persons the remainder of Smith's Wine, the total sales amount to \$15,000 (the charges thereon already posted are \$2650) (192, 196, 197); your commission at 5 per cent. is \$750, and for advertising, warehouse rent, &c. &c. you pay Cash \$100—in all \$3500?

199. If, having closed the Consignment account, you have to refund for defect in Smith's Wine sold \$200?

200. If a man, whose Note for \$5000 you hold, which was received in payment for a quantity of Smith's Wine, has failed, and the debt is lost?

201. If John Smith of Liverpool, ship to J. O'Connor of Dublin, pursuant to your order and to be sold for your account, an Invoice of goods amounting to \$10,000?

202. What shall be Smith's entry of this transaction, supposing that he shipped them from his own store, goods \$9800, and paid charges on them \$200?

203. If said goods were shipped to O'Connor to pay a debt which you owed him, how would you journalize?

204. On the last supposition, what should be O'Connor's entry on receiving said goods?

205. If you pass to Stephen Girard, to pay a debt which you owe him, a Bill of Exchange which you received in account from Samuel Johnson, drawn by said Johnson on J. Smith of Liverpool for \$1000?

206. What shall be Girard's entry for this?

207. How shall Girard journalize if he afterwards return you the Bill protested for non-payment? cost of Protest say \$2? and damages charged \$200?

208. What shall be your entry on receiving the protested Bill?

209. If you pay J. Smith's Bill on you at sight for \$2000?

210. If you accept said Bill drawn at 60 days?

211. If you pay for the honour of J. Smith a protested Bill, drawn by him on B. of Philadelphia, for \$2000; cost of Protest \$2, and you charge  $\frac{1}{4}$  per cent. Brokerage \$5. Total \$2007?

212. What will be Smith's entry when you advise him of the above facts?

### BILLS OF EXCHANGE.

213. If you buy for Cash a set of Exchange for £1000 sterling, at par, \$4444.44?

214. *Note.*—"A set of Exchange consists of three, and sometimes, as merchants may think proper, of four Bills, all of the same tenor and date, one of which being paid, renders the others null and void."—*Bennett's Book-Keeping.*

215. If you buy said Bill at a discount\* of 1 per cent. \$44.44?

*Note.*—\* *Discount* is an allowance or deduction from the face of a Bill.

216. If you buy it at a premium of 1 per cent. \$44.44?

*Note.*—*Premium* is the reverse of discount, or an addition to the face of a Bill.

## A NEW METHOD OF TEACHING BOOK-KEEPING

217. If you sell the same set of Exchange at par, and receive half the amount in Cash \$2222.22, and a Note for the balance with 12 months interest at 6 per cent. added \$133.33. Total amount of Note \$2355.55?

*Note.*—Par is equality of value, or value without discount or premium.

218. If you sell this same Bill of Exchange for Cash at 1 per cent. premium \$44.44?

219. If you sell it at a discount of 1 per cent. \$44.44?

220. If you draw on J. Smith of Liverpool for £1000

sterling, \$4444.44, and sell the Bill for Cash cent. premium \$44.44? (178)

221. If you sell it at 1 per cent. discount?

### DIRECTION TO THE LEARNER.

When you shall have learned perfectly this Lesson, you may turn to Lesson 8, article 50: proceed to journalize and post the entries for the February.

## LESSON IX.

### *Partnership or Company Accounts.*

222. Partnership is of two kinds, General and Special.\* Company accounts are therefore kept in two ways accordingly.

*Notes.*—\*The author, feeling the want of current terms to distinguish the different kinds of Partnership, has taken the liberty of proposing the words *General* and *Special* for that purpose.

223. By General Partnership, he means that which is formed for the transaction of general business, and which is legally known by a proper title, or under a certain Firm: as, Leroy, Bayard, & Co.; Bennett & Walton; H. C. Carey & I. Lea, &c.

224. By Special Partnership, is meant such as two or more individuals or Commercial Houses occasionally form for speculation in a particular article or certain description of goods, but without taking for themselves a joint title, or being known as a Firm.

225. The accounts of such a concern are usually kept in the same books with the owners' individual accounts.

226. Partnership in which the shares of Stock are equal, or the Profit and Loss equally divided, is called Copartnership.

[An explanation and exemplification of General Partnership accounts will be found at the end of the Key.]

### SPECIAL PARTNERSHIP.

227. The accounts of a Special Partnership partake of the nature and form of those of an individual, and those of a Commission Merchant or Agent.

228. The partners of such a concern usually appoint one of their number Agent, called *Manager*, who receives a certain per-centage for his services. The other proprietors are called Silent partners.

229. Sometimes when the partners reside distant, say one in Philadelphia, one in Havana, and one in Liverpool, they ship goods to each other, and are all Agents for the concern, each in his own country.

230. *Manager's Account.*—The Manager on receiving Stock from the other partner or partners, or purchasing Merchandise for the Company, makes, in the Book of Original Entries, his record, which is a true and perspicuous statement of, 1st, The Partnership; 2d, The terms of it; 3d, The appointment of a Manager and his compensation; 4th, Of the receipt or purchase of Stock for the Company; and 5th, Its cost and each partner's share of the cost (324).

231. *Note.*—He enters it likewise in the Commission Sales-Book, and treats it there as a Consignment (37, 170).

232. His Journal expression for his own share, is (except the title, 48, 49) precisely what it would be for Merchandise on his sole account (72, 227).

233. The share of the other partner or partners remains with him as on Consignment (170, 227); but the account of the *whole Company Stock* is kept by him under the title of *his share* (49) till the sales are completed.

234. Thus, through the whole course of the transactions in a special partnership concern, "Merchandise in Co." though it is the *real* title of only manager's share, is by him.

Debited—1. (like an individual Merchant's account, 72) for *his share* and,

2. (like a Consignment) for *all* (170); and is

Credited—(like a Consignment) for the (171).

235. It is closed (always by an original entry viz.

Manager's share, like "Merchandise" (48); The other share or shares like a Consignment (175).

### EXEMPLIFICATION.

236. Yourself and B. form a special partnership. You put in goods to the amount of \$2000. On doing this, you journalize for yourself (232),

"Merchandise in Co. to — . . . \$1000  
and you receive B's share as on Consignment, making entry therefor (233).

You sell the goods for Cash, \$3000, and journalize the

"Cash to Merchandise in Co. . . . \$3000

You now charge for Commission and expenses of the sale and journalize, (174)

"Merchandise in Co. to Sundries . . . \$200

Now the Dr. side of Merchandise in Co. stands \$1200 side \$3000. Balance between them \$1800.

Of this sum B. is entitled, first, to his share of the \$1000, for which, you observe he has not yet been credited. What is left, viz. \$800, is the whole nett gain by the sale. B. is then entitled to, viz.

For his share of Stock advanced . . . \$1000

For his half the nett gain . . . 400

B.'s share of the nett proceeds is then . . .

Your share of nett gain (for recollect your share of the Stock advanced is already journalized) is . . .

which makes the

You now journalize,

"Merchandise in Co. to Sundries \$1800.

To B. for his share nett proceeds . . .

To Profit and Loss, for my do. of gain . . .

which, when added to the posted sum, . . .

makes the sides even, viz. . . .

and thus the account is closed.

237. Manager, like a Commission Merchant, chasing goods for the Company, immediately to each of the Silent partners a copy of the Journal on closing "Merchandise in Co." he likewise partner an Account Sales (176).

238. *Notes.*—Merchandise in Co. may, when received, be debited for the whole cost, or cost of all the shares, and closed. To or By partner's account for his share of the gain or loss, instead of his share of the *nett proceeds*; and as before directed (235), for Manager's share. But such a practice would be sometimes inconvenient and awkward. Indeed why should the account of the property of a partner received to be sold for his account, be kept in any respect differently from that of an employer's property or consignment, in which the merchant who holds it has no interest? He might, with the same propriety, debit and credit in the same manner for a consignment from an employer, which would be contrary to a perfectly established usage (170). The rules laid down in this Lesson are therefore deemed preferable for general practice.

239. *Silent Partner's Account.*—The Silent partner, on putting in Stock, or on receiving from Manager a copy of the Invoice of a purchase made by him for the Company (237), makes his original entry, expressing all important particulars, concerning the Adventure (230), and journalizes as if it was a Consignment or Shipment (165), but under a different title (50, 52).

240. On receiving an Account Sales from Manager (237), he credits the Adventure Account for nett proceeds, and closes it as a Consignment (166, 168).

241. When a person has shares in more than one concern of this kind, he has of course need of a definitive title for each, or an expression of distinction between them. For this purpose the letters of the alphabet may be used, which are peculiarly convenient on account of their brevity. Thus, a first concern may be called Co. A.; a second Co. c. (324, 352, 354).

242. The following remarks may perhaps be useful as a guide in forming the Journal expression for a Co. Stock, which expression will vary according to these three ways of receiving the Stock, viz.

243. 1. *When each partner advances his own share*—Manager debits *his* share (232) to — (the means by which he got it), and receives the other share or shares as on consignment (233); and

Each Silent partner debits his respective share (239).  
244. 2. *When Manager procures the stock for all the partners*—

He debits and credits for his own share as before (243), and debits each Silent partner for *his* share; and

Each Silent partner debits his own share and credits Manager.

245. 3. *When Manager receives his share from one or more of the Silent partners*—

He debits it, and credits him or them; and  
Each Silent partner debits his own share for its amount (239, 243), and debits Manager for what was advanced to him (74).

### Questions on the foregoing Lesson.

What is said of kinds of Partnership and of Company accounts?

Describe General Partnership.

Describe Special Partnership.

What is said concerning the keeping of Special Partnership accounts?

What is Copartnership?

What is said of the nature and form of Special Partnership accounts?

By whom are the affairs of a Special Partnership concern conducted, and what are the proprietors of such a concern called?

Is there ever more than one agency in such a concern?  
What original entry does Manager make on receiving goods for the concern?

Where else does he enter it, and how does he there treat it?

What is his Journal expression for his own share?

On what terms does he retain the other share or shares?

Under what title does he keep the accounts of the Company's property?

How is Merchandise in Co. debited and credited, previous to the closure of it?

How is it closed?

Exemplify a case.

What is Manager's duty on purchasing goods for the Co., and on closing the account of them?

What other method than the above described may be adopted for keeping and closing a Co. Account, and what is observed concerning it?

What Original Entry and Journal expression does a Silent partner make of his share in a Co. concern?

On receiving an account sales from Manager, how does he journalize for the nett proceeds, and how close his Adventure Account?

What is a convenient method of designation when a person has shares in more than one partnership concern?

What is said of variety in the Journal expression on receipt of Co. Stock, and what causes that variation?

How do Manager and Silent partners journalize respectively,—

When each partner advances his own share of Stock?

When Manager procures the Stock for all the partners?

When Manager receives his share from one or more of the Silent partners?

### Interrogatory Exercise in Journalizing.

*What shall be the Journal Expression of yourself (A.) and B.—*

246. If you form a Special partnership, yourself to be Manager, and each advance Merchandise (49, 50) from his respective store to the amount of \$1000. Total Stock \$2000?

247. If you advance \$1200 worth, and B. only \$800 worth?

248. If you advance the whole \$2000 worth?

249. If B. advance the whole?

250. What shall be *your* entry if you pay expenses on the goods \$50?

251. If you sell the whole for Cash, \$3000?

252. How shall you close the account, your commission being \$150; (the amount for cost and charges, already posted to Dr. side, is \$1050,) and the total sales \$3000?

253. How shall B. journalize when you shall have rendered him an account sales and no remittance?

254. If you import from John Smith of Liverpool, on credit or Book Account for account Co. A., goods to the amount of \$10,000?

255. What shall be B.'s entry when you shall have rendered him a copy of the invoice of the above-mentioned purchase?

256. What shall be your entry if you grant your bonds at the Custom House, on the above-mentioned importation, for \$2000, and pay the freight, &c. in Cash, \$200?

257. If, on having sold part of the goods, you refund for damage or defect \$200 in Cash?

258. If you purchase for your Note at 60 days 1000 barrels flour at \$8, (\$8000) and ship the same consigned to John Smith of Liverpool, to be sold for acct. of Co. A., pay shipping expenses, insurance, &c. \$800, charge commissions \$200. Total \$9000?

259. What shall be B.'s entry on receiving a copy of the invoice? (237).

## A NEW METHOD OF TEACHING BOOK-KEEPING

260. What shall be your entry on receiving from Smith (the Agent) an account sales of the Flour and a remittance in Specie, in full for nett proceeds, \$12,000?

261. What shall be B.'s entry when you shall have rendered him a copy of the account sales without payment?

262. Suppose you (to be called Philadelphia) form a partnership with a person in Havana to be called Havana, and another in Liverpool, likewise to be called Liverpool, each to be Manager in his respective country of residence (229), and that you receive from Liverpool, to be sold for account of said Co. (B.), an invoice of goods amounting to \$30,000, what shall be your Journal expression?

263. What was Liverpool's entry on shipping the goods, allowing that he shipped them from store?

264. What shall be Havana's entry on receiving from Liverpool a copy of the invoice? (237)

265. If you have sold the goods for \$50,000, the charges on them paid in Cash since you received them being \$1500; and your commission amounting to, say \$3500 (neither of these items entered). Total nett proceeds \$45,000, how will you close the account?

266. On receiving an account sales of the goods from you and no remittance, what entry shall Liverpool make of the transaction?

267. If you remit with the account sales a Bill of Exchange, which you hold, to Havana in full of his share of nett proceeds, \$15,000, what entry shall he make therefor?

268. If you receive advice (accompanied by a c invoice) from Havana that he has shipped to Liverpool Co. B. a quantity of Merchandise, amounting to \$1 what entry shall you make?

269. What one did Havana make, supposing he sent them from store, \$14,000, paid shipping expenses in \$400, passed his Note for insurance \$300, and a commission \$300?

270. What shall be your expression if the shipping cargo be lost at sea, the goods being insured in Havana?

271. What shall Havana's entry be in that case?

272. But if the goods arrive safe, what shall be Liverpool's entry on receiving them?

273. On receiving from Liverpool an account sales of the goods without a remittance, nett proceeds amounting to \$12,000, what entry shall you make?

274. What one shall Havana make on receiving an account sales, and a remittance in Cash for his share of nett proceeds, \$4000?

275. Is there in the last adventure in Co. B. a profit or a loss, and how much total and per share?

### DIRECTION TO THE LEARNER.

Having sufficiently studied the foregoing Lesson, in the manner prescribed for learning former Lessons, you now turn to Lesson 10, (324) and proceed to journalize and post the entries for March.

## LESSON IV.—Month of January.

### *Original Entries to be Journalized by the Pupil.*

#### DIRECTIONS TO THE LEARNER.

276. Having in the foregoing Lessons been through a course of instructions and exercises on a part of the theory of Book-keeping, you are now prepared to enter upon the practice of the same part.

277. In the following pages are presented to you a series of entries, in the form and character of original entries, (8) and you are required to form from them, on the blank pages opposite to them, a Journal according to the rules you have already learned (72 to 85).

278. The best method of learning to journalize, is to do it first on a slate, and after it shall have been approved by your teacher, (or if you teach yourself, compared\* with the Key, and corrected if found wrong) write it with ink in your Blank Journal in this Book. After this, your work must be again carefully compared with the Key, that you may be *perfectly sure* that there be no error in it when you begin to post it. This last direction is an important one.

279. \* The method of comparing your work with the Key is in all cases the following. Let another person hold the Key, and you read your own work to him; let him approve what you read right, and what he shall disapprove you must cross out, without seeing it in the Key, or being informed how it ought to be journalized, and afterwards study further and correct it.

280. Every entry is preceded by a number which corresponds to its corresponding number in the Key, where is in the proper Journal expression of its respective original entry, accompanied, whenever it is deemed necessary, by explanatory notes, and a reference to the rule upon which it is predicated.

281. This Key, however, is to be very sparingly used. The original purpose of it is the assistance of teachers (themselves or others) but by no means that of pupils generally. If you find yourself unable to proceed in journalizing, consult again your instructions and rather than the Key.

282. In some instances referring figures are inserted in the midst of an original entry—These refer to corresponding numbers in this Book, if not higher than 400—if not, to the Leger or Key.

283. In the following first set of books, reference is frequently made to sundry auxiliary books, specimens of most important of which are contained in the Key, which the pupil will be directed to examine at the proper stage of his learning.



284.	1	<i>Inventory (15) of my Property and of the Debts due to and from me, taken this day, viz. (81, '2, '3, 24. 281)</i>		
		Cash, in Specie and Bank Notes . . . . .	\$25000	
		Sundry Merchandise, particularly designated in Inventory-Book, page 1, amounting to . . . . .	11000	
		House and Lot, No. 250, Chesnut street, worth . . . . .	20000	
		Sundry Notes of hand, due me per Bill-Book, Nos. 1 and 2, amounting to . . . . .	7800	
		Allen Robinett owes me on Book Account, . . . . .	2500	
		Hicks W. Kelly owes me do. . . . .	500	
				66800 00
285.	"	<i>I owe as follows: viz. (16, 84)</i>		
		Sundry Notes of hand, per Bill-Book, Nos. 1, 2, 3, amounting to . . . . .	\$2000	
		To John Smith, of Liverpool, on Book Account . . . . .	1000	
		To Stephen Girard, Philadelphia do. . . . .	500	
				3500 00
286.	3	Sold (17, 18) to J. Stewart, for Cash, 40 pieces of Irish Linen, Sales-Book, page 1 (85) . . . . .		600 00
287.	5	Sold to Joseph Hull, on his Note at 30 days, 10 chests, 800 lbs. Young Hyson Tea, at \$1.00 per lb. . . . .		800 00
288.	7	Bought of J. West, for Cash, a quantity of Merchandise, Invoice-Book —, amounting to . . . . .		250 00
289.	9	Bought of Thomas T. Smiley, on my Note at 30 days, 100 yards of Shepherd's superfine Blue Cloth, at \$10 per yard . . . . .		1000 00
290.	12	Sold to Stephen Jones, on Book Account, sundry Merchandise, S. B. —, amounting to . . . . .		500 00
291.	15	Received of Stephen Jones, in full of his account, Cash, . . . . .		500 00
292.	18	Exchanged Notes with James Thompson for our mutual accommodation, each drawn at 60 days, for . . . . .		900 00
293.	20	Sold to Stephen Jones, on Book Account, S. B. —, goods to the amount of . . . . .		750 00
294.	22	Received of Stephen Jones, to balance Book Account, his Note at 60 days, for . . . . .		750 00
295.	24	The United States Bank has discounted for me James Thompson's Note at 60 days (292). Received Cash . . . . . \$890.50 Allowed discount . . . . . 9.50		900 00
296.	"	Sold to Stephen Jones, on Book Account, a quantity of Merchandise, S. B. —, amounting to . . . . .		500 00

2	Cash.	2500 00		
1	Adse.	1100 00		
8	Rent & state	2000 00		
9	Recivable	7800 00	1	Stock.
8	Alan Robinson.	2500 00		
9	W. M. Kelly.	500 00		
1	Stock.	3500 00	4	Bills Payable.
			1	John Smith
			10	Stephen Girard
2	Cash	600 00	1	Adse.
3	Bills Rec.	800 00	1	Adse.
1	Adse.	250	2	Cash.
1	Adse.	1000 00	4	Bills Pay.
0	Adse.	500 00	1	Adse.
2	Cash.	500 00	10	Adse.
3	Adse.	100 00	4	Bills Rec.
0	Stephen Jones.	750 00	1	Adse.
3	Bills Rec.	750	1	Adse.
	Cash.	500 50		
	Adse.	9 50	3	Bills Rec.
	Stephen Jones.	300 00		Adse.

97.	25	Bought of Thomas Longshore the Ship Minerva for \$15000. Paid him, viz. Merchandise S. B. 1, amounting to . . . . . \$9500 Cash for balance . . . . . 5500	15000 00
98.	26	Stephen Jones, who owed me (296), has failed. I have compounded the debt with him, and received 70 cents in the dollar, viz. Cash . . . . . \$210 Lost the balance (281) . . . . . 90	300 00
99.	28	Paid Cash to the following persons to take up my Notes due this day, viz. To Stevenson & Flagg . . . . . \$1000 To William Williams . . . . . 500	1500 00
00.	31	Lent Benjamin P. Bates on his Bottomry Bond, Cash \$2000, to be repaid with 10 per cent. premium to John Smith, Liverpool, on my account, fifteen days after the arrival of his Ship the Merchant in that port . .	2000 00
01.	"	Insured to Captain Thomas Longshore at 5 per cent. \$5000 on his Brig Erie, bound to St. Petersburg, and received the premium . . . .	250 00
02.	"	Expended Cash this month for the support of my family, per Expense-Book —, . . . . .	104 25
<p style="text-align: center;">DIRECTION TO THE LEARNER.</p> <p>Having journalized thus far, you may now return to Article 155, and follow the directions contained in Lesson V.</p>			
<p style="text-align: center;"><b>LESSON VIII.—Month of February, 1836.</b></p>			
03.	1	Shipped by the Moss, Turley, and consigned to Charles Bishop, London, to be sold for my account, 300 barrels of Flour, bought of William Harriss for P. H. Bishop's Note, at \$8 per barrel . . . . \$2400 Paid shipping expenses in Cash . . . . . 190	2590 00
04.	"	Delivered to Stephen Girard, to balance my account with him (285), my Note at 30 days for . . . . . \$400 Cash for balance . . . . . 100	500 00
05.	2	Shipped on board the Two Brothers, Norris, and consigned to W. Morgan, merchant, Cork, to be sold for my account, 300 barrels Flour, bought of Isaac Howell on Book Account, at \$10 per barrel \$3000 75 barrels do. from store, at \$10 . . . . . 750 Paid shipping expenses in Cash . . . . . 250	4000 00
06.	6	Received from Hicks W. Kelly (284), to balance his account (of \$500 ), his Note at ninety days for \$250, with interest at 6 per cent. added \$3.75, amounting to . . . . . \$253.75 Cash for balance . . . . . 250.00	503 75

1	Ship Minerva	1500000	1	Merchandise
			2	Cash -
2	Cash.	210 00	10	Stephen Jones.
5	Profit & Loss.	90 00		
1	Bills Pay.	1500 00	2	Cash -
1	Bills Rec.	2000 00.	2	Cash -
2	Cash.	200 00	7	Insurance
7	Expense	104 25	2	Cash -
1	Shipment to London	2590 00	3	Bills Rec.
			2	Cash
0	Stephen Girard.	500 00	4	Bills Pay
			2	Cash -
1	Profit & Loss.	400 00	12	Cash.
			1	Cash.
			2	Cash
	Bills Rec.	208 75	9	Merchandise
	Cash.	250 00	6	Merchandise

307.	6	Delivered to Thomas T. Smiley, in payment of my Note to him of 9th January last (289), viz. 40 pieces Linen, 1000 yards at 50 cents . . . . \$500.00 Cash for balance . . . . \$496.79 deducting 11 days discount . . . . 3.21 <div style="text-align: right;">500.00</div>	1000 00
308.	8	Paid B. Black, for J. Smith's Bill of Exchange on me at sight, his favour, for £500 sterling. \$2222.22, viz. In Merchandise, S. B. — . . . . \$1070.00 Cash for the balance . . . . 1152.22 <div style="text-align: right;">2222 22</div>	2222 22
309.	10	Received of Joseph Hull in full for his Note of 5th January last (287), 4000 lbs. Butter, at 20 cents per lb. . . . . 800 00	800 00
310.	11	Received by the Ship Columbia, Denton, from Liverpool, 4 bales of dry goods, shipped to me by J. Smith, merchant there, pursuant to my order and for my own account, amounting per invoice to £1200 sterling, equal to . . . . \$5333.33 Bonded the same at the Custom House for duties, at 8, 10, and 12 months . . . . 1333.33 Paid Cash for freight and other charges . . . . 223.34 <div style="text-align: right;">6890 00</div>	6890 00
311.	12	Received from Captain Longshore, for freight of my Ship Minerva, Cash <div style="text-align: right;">2200 00</div>	2200 00
312.	15	Bought of Samuel Badger 195 shares of United States Bank Stock, \$100 per share, at 9 per cent. advance, amounting to \$21.255 Sold him in payment my house in Chesnut street, No. 250 (284), for . . . . \$21000 Paid him Cash for balance . . . . 255 <div style="text-align: right;">21255 00</div>	21255 00
313.	,,	Paid for repairing the Ship Minerva, Cash . . . . . 250 00	250 00
314.	16	Shipped by the Tuscarora, West, for Liverpool, and consigned to John Smith, to be sold for my account, 450 barrels Flour, bought of Wil- liam Williams for W. Howell's note, now due me, at \$12 . \$5400 11000 bushels Indian Corn, at 45 cents per bushel, bought of Hacker, Brown & Co. on my Note at 60 days . . . . 4950 Paid shipping expenses in Cash . . . . 150 Passed my Note at 4 months to the Atlantic Insurance Com- pany for premium on \$11053.75 at 5 per cent. (covering the premium), Policy \$1.25 . . . . 555 <div style="text-align: right;">11055 00</div>	11055 00
315.	18	Received by the Ship Ontario, Everett, from Liverpool, 5 bales of dry goods, consigned to me by John Smith, to be sold for his account, amounting per Invoice to £4590 sterling. Passed my bonds to the Custom House at 8, 10 and 12 months, for duties, . . . . \$5508 Paid Cash for freight and other charges, Com. S. B. —, (37) . 122 <div style="text-align: right;">5630 00</div>	5630 00
316.	19	Sold to Joseph Richards, for Cash, of Smith's goods, 5 pieces, 180 yards double-milled Cassimere at \$4. Com. S. B. —, (315) . . . . 720 00	720 00

4	Bill Pay.	1000 00	1	Merchandise	500
			2	Cash.	496
			6	Interest.	3
9	J. Smith.	2222 22	1	Bill	1175
			2	Cash.	1152
1	Alse.	800 00	9	Bill Rec.	800
			9	J. D. M.	5897
1	Bill.	6890 00	4	Bill Pay.	1000
			2	Cash.	223
2	Cash.	2200 00	17	Ship Hire.	220
13	Bill on Stock.	21255 00	8	Real Estate.	21000
			2	Cash.	200
17	Merchandise	200 00	2	Cash.	200
			3	Bill	5400
13	Bill	11055 00	4	Bill	5000
			2	Bill	100
14	Bill	4500 00	4	Bill Pay.	5500
			2	Cash.	100
2	Bill	1000 00	14	Bill	1000

# PHILADELPHIA, FEBRUARY, 1836.

7. 20	Sold W. Morris, on his Note at 6 months, 4 pieces, 100 yards Cassimere, at \$4. (Smith's goods, 315)	400 00
3. 25	Refunded to Joseph Richards, for damage in Smith's goods sold him 19th inst. Cash	80 00
3. "	Stephen Jones, who failed some time ago, and who owes me on a Note (294) due this day \$750, has compounded with me therefor at 50 per cent. I have received of him an indorsed Note at 9 months for . . . \$375 and have lost the balance . . . 375	750 06
0. "	Accepted John Smith's Bill on me at 10 days sight, favour Stephen Girard, for . . .	3600 00
1. 26	Sold Thomas Norris, of Smith's goods (315), 23 pieces, 1250 yards double milled Cassimere, at \$4 per yard, \$5000. Received therefor his Note at 60 days, which has been this day discounted at the United States Bank, on my account. Received in Cash at Bank . . . \$4947.90 Allowed discount . . . 52.10	5000 00
2. 27	Sold Carey and Lea, through S. & M. Allen, at $\frac{1}{4}$ per cent. premium, my draft at 60 days sight on J. Smith, Liverpool, for £2000 stg. \$8888.88 Premium . . . 44.45 Brokerage a quarter per cent. off is . . . 22.33 Received in payment the note of Carey & Lea, payable 16th March next, for \$6384.41, with interest added at 6 pr. ct., \$19.15. Amt. \$6403.56 Cash for balance . . . 2526.59 Gained in the transaction by Exchange . . . \$22.12 by Interest on Note rec'd. 19.15	8930 15
3 28	Expended for the support of my family this month, Cash, per Book of House Expenses —, . . .	106 75

## DIRECTION TO THE LEARNER.

Now post the Journal for February, and prove the Leger according to Lesson VI., comparing your proof, by the help of your teacher, with 526, K., which will complete Lesson VIII.  
You must then turn back to Lesson IX. Article 222, and study Partnership Accounts.

## LESSON X.—Month of March, 1836.

4. 1	Formed a Special partnership (A) with Allen Robinett, the terms of which are, that the shares of Stock to be put in, and of the gain and loss in the business shall be equal, and that the affairs of the Co. shall be conducted by me, for which I am to receive $2\frac{1}{2}$ per cent. commission on all sales for said Co. (228) In pursuance of this agreement, I have purchased of Samuel Archer, on account current, for the Co. account, 10 pipes Cognac Brandy, 1360 gallons at \$1.25 per gallon . . . My half cost is \$850 } Robinett's half do. is 850 } \$1700 (230).	1700 00
------	---	---------

9	Bills Rec.	40000	14	Smiths Consign
14	Smiths Consign	8000	2	Cash
9	Bills Rec.	37500	3	Bills Rec.
5	Profit Loss	37500		
9	John Smith	26000	4	Bills Pay
2	Cash	494790	14	Smiths Consignment
6	Interest	5210		
9	John Smith	640356	9	Smiths
			6	Interest
2	Cash	252059	5	Profit Loss
7	John Smith	10000	2	Cash
14	John Smith	36000	15	John Smith
8	John Smith			



325.	1	Bartered with William Abbott, a quantity of Smith's goods, C. S. B. —, for a like value in pepper for my own account, I. B. —, . . . . .	5600 00
326.	3	<p>Sold Bacon &amp; Hart the following, viz.</p> <p>14 pieces Cassimere (Smith's goods) Com. S. B. —, amounting to \$3570</p> <p>600 gallons Brandy (Co. A.) at \$2. C. S. B. —, (324) . . . . . 1200</p> <p>A quantity of my own Merchandise S. B. —, . . . . . 2600</p> <p style="text-align: right;">\$7370</p> <p>Received in payment my Note (now due) passed in December last to Brobson &amp; Randall for . . . . . \$500</p> <p>Bacon &amp; Hart's order at sight on Isaac Howell, my favour, which I reckon in account with said Howell, it being in full of his account due me . . . . . 3000</p> <p>Cash for balance . . . . . 3870</p> <p style="text-align: right;">7370 00</p>	
327.	4	Sold to John Hewit, for Cash, 195 shares of United States Bank Stock (312), at 20 per centum advance (Shares \$100) . . . . .	23400 00
328.	6	<p>Sold to Henry Shaw 860 gallons Brandy, Acct. Co. A. at \$2. Com. S. B. —, . . . . . \$1720</p> <p>A quantity of Smith's goods, C. S. B. —, amounting to . . . . . 6630</p> <p style="text-align: right;">8350 00</p> <p>Received from him therefor, Smith's draft on me at sight, his favour, for . . . . . \$8300</p> <p>Cash for balance . . . . . 50</p> <p style="text-align: right;">\$8350</p>	
329.	8	<p>Received from Allen Robinett, to be sold for account of Co. A., 960 gallons Brandy, at \$1.25. \$1200</p> <p>My half is . . . . .</p> <p style="text-align: right;">600 00</p>	
330.	9	Paid Stephen Girard, Cash, in full for my Note, passed to him 1st Feb. last, for (304) . . . . .	400 00
331.	10	<p>Paid Stephen Girard as follows for J. Smith's bill on me, accepted 25th February last, for \$3600 (320).</p> <p>Sold him on account Co. A. 400 gallons Brandy, at \$1.50 . . . \$600</p> <p>Paid him Cash for the balance . . . . . 3000</p> <p style="text-align: right;">3600 00</p>	
DIRECTION TO THE LEARNER.—Now post the Journal to this place.			
332.	14	<p>Closed the account of Merchandise Co. A., and rendered Robinett an account sales (237). Total sales being \$3520.</p> <p>My commission thereon at 2½ per cent. is . . . . . \$88.00</p> <p>Robinett's half nett proceeds is . . . . . 1716.00</p> <p>My nett profit is . . . . . 266.00</p> <p style="text-align: right;">2070 00</p>	
DIRECTION.—Now post this entry, and close Merchandise Co. A. in the Leger (418, 419, L.).			

1	Adse	560000	14	Smiths Consignmt.
4	Bills Payable	50000	14	Smiths Consignmt.
12	Quac Howell.	300000	14	Adse Co A.
2	Cash -	387000	1	Adse -
2	Cash -	2340000	13	Bank Stocks
9	J Smith	830000	14	Adse Co A.
2	Cash -	5000	14	Smiths - Consignmt.
14	Adse Co A.	60000	8	Allen Robinett
4	Cash -	40000	2	Cash -
4	Cash -	360000	14	Adse Co A.
			2	Cash -
4	Adse Co A.	207000	6	Commission
			8	Allen Robinett.
			5	Profit & Loss.

# PHILADELPHIA, MARCH, 1836.

3. 18	<p>I have taken for account of Co. A. at market prices, the remainder of Smith's goods, amounting per Commission S. B. —, to \$8080.</p> <p>My half is . . . . . \$4040</p> <p>Robinett's half is . . . . . 4040</p> <p style="text-align: right;"><u>8080 00</u></p>	8080 00
	DIRECTION.—Post this before proceeding further.	
4. 19	<p>Sold to Thomas Norris, for Cash, at 1 per cent. discount, my Bill on J. Smith, Liverpool, favour W. L. Potts or order, at 60 days sight, for £1000 sterling, equal to \$4444.44.</p> <p>Received Cash . . . . . \$4400.00</p> <p>Discount allowed . . . . . 44.44</p> <p style="text-align: right;"><u>4444 44</u></p>	4444 44
	DIRECTION.—Post this before proceeding further.	
5. "	<p>Closed Smith's consignment account, and transmitted him an account sales (176), the equated time when due being March 19, this day. Charges already posted, \$5710. (315, 318, K.)</p> <p>Paid Cash for storage and advertising . . . . . \$ 68</p> <p>My commission on \$30000, the total sales, C. S. B. —, at 5 per cent. is . . . . . 1500</p> <p>Amount of nett proceeds to be carried to the Cr. side of Smith's account current . . . . . 22722</p> <p style="text-align: right;"><u>24290 00</u></p>	24290 00
	DIRECTION.—Now post this, and close Smith's consignment account in the Leger (418, 419, L.).	
6. 24	<p>A. Robinett and I have bought for Cash, for account Co. A., 1000 barrels Flour, at \$6. \$6000.</p> <p>My half thereof is . . . . . 3000 00</p>	3000 00
7. 26	<p>Received Cash from Carey &amp; Lea, for their Note to me, dated 27th of February, and due 16th March inst. (322) viz.</p> <p>For principal . . . . . \$6403.56</p> <p>For interest, 10 days at 6 per cent. . . . . 10.67</p> <p style="text-align: right;"><u>6414 23</u></p>	6414 23
8. "	<p>W. Morris has failed. What he owes me on his Note of 20th February last for Smith's goods is therefore lost (317) . . . . . 400 00</p>	400 00
9. 28	<p>Renewed my Note exchanged with James Thompson, dated 18th January last (292), and discounted by the U. S. Bank on the 24th do. (295), at 60 days. \$900. I have paid the discount in Cash . . . . . 9 45</p>	9 45
10. 31	<p>Received per the Atlantic, M'Duffie, from Charles Bishop, London, an account sales of 250 barrels Flour consigned to him in February last, to be sold for my account (303), nett proceeds amounting to £460 sterling . . . . . 2044 44</p>	2044 44
11. "	<p>Paid in Cash the expenses of my house the last month, amounting per Expense-Book (41) to . . . . . 116 00</p>	116 00
	DIRECTION TO THE LEARNER.	
	<p>Now post to this point, and prove your Leger, comparing your proof (279) with 526, K. Then turn to Lesson XI. in the Leger (447), and study the directions and rules for closing the Leger.</p>	
12.	<p>NOTE.—The blank at the top of the following page is left for the reception of cross entries, if unfortunately any must be made (159)</p>	

14	Morse Co A.	4040 00	14	Smiths Consignmt.
8	A. Robinson	4040 00		
2	Cash -	4400 00	9	J. Smith.
5	Profit & Loss	44 44		
4	Smiths Consignmt.	24290 00	2	Cash -
			6	Commission
			9	J. Smith
14	Morse Co A.	3000 00	2	Cash -
2	Cash -	6414 23	9	Bills Rec.
9	J. Smith -	400 00	6	Interest.
6	Interest.	9 45	8	Bills Rec.
15	Produce & Phipps	2044 44	2	Cash -
			11	Shipman to London
7	Exp. acc.	116 00	2	Cash -
				"

**PHILADELPHIA, MARCH, 1836.**

**CONTINUATION OF LESSON XI.**

*The following Entries are for the adjustment and closure of all the Accounts open in the Leger.*

3. 31	I have gained the last 3 months, by agency for others	.	\$ 1588.00
	Ditto	do. by insuring for others	250.00
	Ditto	do. by sales of Merchandise	1706.54
	Ditto	do. by do. Real Estate	1000.00
	Ditto	do. by freight of Ship Minerva	1950.00
	Ditto	do. by sale of U. S. Bank Stock	2145.00

8639 54

4. "	I have in same period paid Interest more than I have rec'd. do.	\$ 34.27
	Ditto do. do. for Family Expenses	327.00
	Ditto do. lost by my Shipment to London	545.56
	Ditto do. gained by my business above the amount of my expenses and loss above-mentioned, this sum, which is an enhancement of my Stock in trade, viz.	7511.39

8418 22

(Per Inventory, 515.)

5. "	I have Cash	.	\$ 56905.92
	Do. Notes, Bonds, and other Bills Receivable	.	2629.75
	Do. Merchandise unsold, worth	.	9876.54
	Do. Ship Minerva	.	15000.00
	Do. Invested in Shipment to Cork	.	4000.00
	Do. do. do. to Liverpool	.	11000.00
	Do. do. Merchandise Co. A.	.	7000.00
	Allen Robinett owes me on Book Account	.	3077.23
	Charles Bishop do. do.	.	2044.44

113624 15

6. "	I owe sundry Notes, Bonds, and Acceptances, Amounting to	\$ 15200.50
	Do. to John Smith (Liverpool) on account current	2700.48
	Do. to Samuel Archer do. do.	1700.00
	The nett amount of my Estate this day, or what would be left after payment of all my debts, is	70511.39

115624 15

DIRECTION.—Now post these Entries to the Leger, and your Books will be closed.

Dr  
CRS.

7

Cr.  
DRS.

6	Commissaries	1588.00			
7	Insurance	250.00			
1	Adm. -	1706.54			
8	Real Estate	1000.00			
1	Ship Minerva	1900.00			
3	U. S. Stock	2145.00			
5	Profit & Loss	8418.22			
6	Interest.				
7	Expenses.				
17	Ship to London				
1	Stock.				
2	Cash -				
3	Bills Rec.				
1	Adm. -				
11	Ship Minerva				
12	Ship to Cork.				
13	" " Liverpool				
14	Adm. to				
14	Green Cabinet				
15	Charles Bishop				
4	Bills Pay.	18246.93			
9	J. Smith	27866.43			
5	Sam Archer	1700.00			
1	Stock	78811.39			
16	Balance.				

## SECOND SET OF BOOKS.

### LESSON XII.—Month of April.

#### DIRECTION TO THE LEARNER.

147. Having journalized and posted the foregoing set entries and closed and reopened the Leger made from m, you have now before you another series of Original tries, which are to be considered a continuation of the egoing set, but which are generally more difficult to be rnalized than those were.

148. As there will be found in this set much exercise in eial Partnership accounts, it will be well for the pupil review Lesson IX. (222).

149. This form of a Journal (21) the Author deems ferable for *practical purposes* (12, 13,) to that exem-

plified in the last set, and indeed to any other he ever saw. The number of columns here ruled is the same that was used in the last set, and they are to be similarly used.

350. Be careful to bring your Journal titles fully back to the line, even with the first word of the Original Entry, and carry the sums of the Cr. side into the right-hand money columns.

351. Journalize first on a slate, according to direction, 278.

*Note.*—It is intended that in blank books for this form of the Journal, the four perpendicular lines in the middle part of the page shall be either faint-lines or very fine red lines, and that they shall extend unbroken from top to bottom of the page: but this was impracticable in a printed page.

*PHILADELPHIA, APRIL 1, 1836.*

2. Formed a Partnership (B) with John Smith of Liverpool, and James Delacroix of Havana. Our purpose is to ship to each other, to be sold for the concern, such Wares and Merchandise as shall be deemed best adapted to either of the respective markets. Each partner is to be Agent for the Company in his respective city of residence, and to be allowed 5 per cent. commission on sales, and 2½ per cent. on purchases, made by him; the risk, profit and loss to be equal among the partners. In pursuance of this arrangement, I have shipped by the Hibernia, Newman, on account of the concern, and consigned to J. Smith, Liverpool, viz.

190 barrels Flour from my store, at \$12 . . . . .	\$2280.00
1100 do. do. taken from Co. A. at \$10 . . . . .	10100.00
Paid shipping expenses in Cash . . . . .	120.00
Passed my Note at 4 months to the American Insurance Com- pany for premium on \$12500 at 2 per cent., and Policy \$1.25	241.25
My commission on the whole at 2½ per cent. is . . . . .	319.78

= 348 63

	26	Total \$13061.03
Smith's third is . . . \$4353.68	}	\$13061.03
Delacroix's do. is . . . 4353.68		
My do. is . . . . . 4353.67		

	DRS.	Dolls.	Cts.	L.Fs.	CRS.	Dolls.	Cts.
7	Smith	4353	68	1		2280	00
7	Delacroix	4353	68	14		10100	00
7				2		120	00
7		4353	67	4		241	25
				6		319	78

353. Received advice from J. Smith, Liverpool, per letter of 28th February last, that he had shipped per the Reindeer, Moody, to J. Delacroix of Havana, on account of Co. B., viz. 600 barrels Beef, amounting per Invoice to £1250 sterling. \$6000

My third thereof is . . . . . \$2000.00

NOTE.—You are to consider yourself in this instance a Silent partner (228).

18 *Sept 15 Havana* | *2000* | *00* || *9* | *John Smith.* | *2000 00*

354. I have formed a special partnership connexion (C) with Hicks W. Kelly. We have agreed to advance Stock, and divide profit and loss equally. The affairs are to be managed by said Kelly, who is to be allowed 5 per cent. commission on sales.

In pursuance of said agreement, he has bought for the concern, a quantity of domestic Dry Goods, which amount per Invoice rendered to \$6000.

My half is therefore . . . . . \$3000

18 *Adventure to C* | *3000* | *00* || *9* | *Hicks W. Kelly* | *3000 00*

355. Shipped by the Minerva, Longshore, for Havana, and consigned to James Delacroix, merchant there, to be sold for account of Co. A.

225 barrels Flour from store, at \$12 . . . . . \$2700.00

225 do. do. furnished by A. Robinett, at \$12 . . . . . 2700.00

Paid expenses of shipping in Cash . . . . . 240.00

Robinett passed his Note to the American Insurance Company

for premium on \$5640 at 2 per cent. . . . . 112.80

Freight of my ship Minerva per agreement . . . . . 850.00

Robinett's half is \$3301.40 } \$6602.80 Total \$6602.80

My do. is 3301.40 }

8 *Sept 15* | *3301* | *40* || *1* | *Adse.* | *2700 00*  
 19 *Sept 15* | *3301* | *40* || *2* | *A. Robinett* | *2812 80*  
 | | | | *3* | *Expenses* | *240 00*  
 | | | | *11* | *Ship Minerva* | *850 00*

356. Received per the Eliza, Johns, from Liverpool, 20 pipes Madeira Wine, 2510 gallons, shipped to me Feb. 28 last, by John Smith, to be sold for account of Co. B., amounting, per Invoice, £1500 sterling; my third of which is equal to . . . . . \$2220.00

Bonded the above at 12 months, 2 per cent. off . . . . . 1460.00

Paid freight and other charges in Cash . . . . . 229.62

\$3909.62

7 *Sept 15* | *2220* | *00* || *1* | *John Smith* | *2220 00*  
 | | | | *5* | *Bonded* | *1460 00*  
 | | | | *2* | *Freight* | *229 62*



7. Received from H. W. Kelly, my partner, an account sales of domestic Dry Goods in Co. (354), the nett proceeds amounting to \$10200.  
My half is therefore . . . . . \$5100

*H. W. Kelly* | *5100* | *21/8* | *Adventure Co. G* | *5100 00*

16

8. Sold to Stevenson & Flagg 510 gallons Madeira Wine, on account Co. B. at \$5 per gallon, \$2550  
Received in payment, at 1 per cent. discount (215), for my own account, their set of Exchange on Rathbone, Hodgson & Co. Liverpool, at 30 days sight, for £400 sterling . . . . . \$1777.77  
Discount off . . . . . 17.77  
Cash for balance . . . . . 790.00  
\$2550.00

*Stevenson & Flagg* | *1777.77* | *1/8* | *Advent Co. G* | *2550 00*  
*Cash* | *790 00* | *5* | *Rathbone & Co* | *1777 77*

18

9. Found in Market street in January last, a Pocket-Book, containing \$500 in Bank Notes, which I advertised, but the owner has not appeared. I therefore take this money to account till it shall be claimed \$500

*Cash* | *500 00* | *5* | *Briggs & Lacey* | *500 00*

20

10. I have taken to account of Co. A. the remaining 16 pipes Madeira Wine, belonging to Co. B. (356), 2000 gallons, at \$4 per gallon . \$ 8000  
A. Robinett has added thereto 8 pipes, 1000 gallons, at \$4 per gal. 4000  
Each partner's share of the above is . . \$6000 } \$ 8000. \$12000  
Robinett has paid balance of his in Cash 2000 }

*Co. A* | *8000* | *19* | *Co. B* | *12000*  
*Cash* | *2000* | *19* | *Co. B* | *2000*

20

1. Closed account of Merchandise Co. B., and rendered to each of the partners an account sales. Total sales amounting to \$10550.  
Charges already posted (356) \$3909.62.

Storage due Hicks W. Kelly . . . . .	\$ 32.00
My commission on the sales at 5 per cent. (352) . . . . .	527.50
J. Smith's third of nett proceeds is . . . . .	2766.96
J. Delacroix's third do. is . . . . .	2766.96
My third do. is . . . . .	\$2766.96
Do. first cost (356) . . . . .	2220.00
	<u>546.96</u>

\$6640.38

9

Merch Co. B.

6640 38

9  
6  
9  
17  
5H. W. Kelly-  
Commission  
J. Smith  
James Delacroix  
Profit to Leg.32 0  
527 5  
2766 9  
2766 9  
546 9

28

362. Received advice from J. Smith, Liverpool, per letter of 20th March, that he had received from B. P. Bates, master of the Merchant, 495/ 01s., in full for principal and premium of \$2000, lent him by me on 31st January last, on his bottomry bond (300), which I have now given up. Premium, \$200. . . . . \$2200.

9

J. Smith

2200 00

3  
5J. Smith  
B. P. Bates2000 0  
2000 0

30

363. Effected insurance with the American Insurance Company on \$6750, at three per cent. premium, being the amount of an invoice of Linen, shipped to me for my own account, by W. Morgan of Cork, in the Two Brothers, Norris, now on her way to this port. Passed my Note at 4 months for the Premium. Policy, \$1.25 \$203.75

1

W. Morgan

203 75

4

W. Morgan

203 75

30

364. Expended for the support of my family this month, per Expense-Book, . . . . . \$155.50

7

Exp. Book

155 50

2

Cash

155 50

## DIRECTION TO THE LEARNER.

Having journalized thus far, review Lesson V. (155), and apply its directions. Then review Lesson VI. L. and post your Journal (411, &c.), closing Merchandise Co. B. (361) according to 235. Examine your work (422, &c.) and prove your Leger (440, &c.), comparing your proof (279) with 530, K. Having done so, proceed to the following.

LESSON XIII.—Month of May.

1			
5.	Sold to W. Williams for Cash, at 2 per cent. premium, (216) Stevenson & Flagg's set of Exchange on Rathbone, Hodgson & Co. Liverpool, for £400 sterling (358) . . . . . \$1777.77 Premium . . . . . 35.55 \$1813.32		
	Cash   1777   32   9   Bill rec. 1777 77   5   Paid 8. 10. 35 55		
3			
	Paid the Delaware Insurance Company one per cent. premium on \$6000, for insurance effected on my Ship Minerva, bound to Havana. Policy \$1.25. . . . . \$61.25		
	Ship Minerva   61   25   2   Cash 61 25		
4			
17.	The Bank of North America has discounted H. W. Kelly's Note for \$1000, at 90 days, which he has this day given me for mine for the like amount and time. Received at Bank, Cash . . . . . \$984.20 Allowed discount . . . . . 15.80 \$1000.00		
	Cash   984   20   4   Bill 1000 00 Interest   15   80   4   Paid 90		
6			
18.	Received per the Two Brothers, Norris, 10 cases Irish Linen, shipped to me for my account by W. Morgan of Cork, being in full for nett proceeds of 300 barrels Flour sold by him for me (305), sales now rendered, viz. 3 cases, ea. 150 pieces, 3752 yards at 2s. 6d. . £469 0s. 0d. 3 do. do. 150 do. 3700 do. 2 9 . 508 15 0 4 do. do. 140 do. 3607 do. 3 0 . 541 3 0 £1518 18 0 \$6750 Bonded the above at the Custom House at 8, 10 and 12 months 1348 Paid freight and other charges in Cash . . . . . 210 \$8308		
	1   8308   12   19   10 cases to Cork. 4   Bills 6750 00 2   Cash 1348 00 210 00		

69. Delivered to H. W. Kelly, to be sold for Co. C. (354), the following goods, viz.

1 piece mixture Cloth, 28 yards. at 20s. 0d.	. £28 0s. 0d.
1 do. do. do. 24½ do. 26 6	. 132 9 3
1 do. Olive do. 28 do. 24 8	. 34 10 8
1 do. Drab do. 19½ do. 30 0	. 129 5 0
1 do. Brown do. 25¾ do. 20 0	. 25 15 0
1 do. Blue do. 18 do. 23 6	. 21 3 0
2 do. 7-8 Irish Linen 53 do. 6 6	. 117 4 6
2 do. do. 52 do. 7 4	. 19 1 4
4 do. do. 104 do. 10 8	. 155 9 8
21 chests H. Skin Tea, nett 1340lbs. 8 0	. 536 0 0
Boxes 12s. cooperage 2s. 1d. cartage 7s. 6d.	1 1 7

Kelly's half is \$1500 } \$3000. New York curr'y £1200 0 0 \$3000  
My do. is 1500 }

9 H. W. Kelly. 1500.00  
8 Adventure Co. 1500.00  
8

70. Paid Hacker, Brown & Co., for my note passed to them 16th February last (314), and due 20th April, which was protested for nonpayment.  
Amount of Note \$4950.00  
Interest, 38 days at 6 per cent. \$14.75. Cost of Protest, \$1.75 16.50

4 4950.00  
5 14.75  
5 1.75  
4966.50  
2 Cash.  
4

71. Received from H. W. Kelly for his Note of 6th February last (306)  
Cash \$253.75  
Also his Note, at 90 days, dated this day, to balance book account 3568.00  
\$3821.75

2 Cash - 253.75  
3 Bills Rec. 3568  
3 H. W. Kelly.  
11

72. Bought for Cash at auction 10 hhds. Tobacco, at \$100 per hhd. \$1000,  
and sold it immediately to Joseph Richards, on his Note at 90 days,  
for \$1400. Gained thereby \$400 \$1400

3 Bills Rec. 1400.00  
2 Cash.  
5 Profit & Loss.  
1

3. Bought of Joseph Richards his set of Exchange on Grand & Co. Paris, at 30 days sight, at 5 per cent. premium for 43243½ Livres Tournois, equal to . . . . . \$8000  
Premium . . . . . 400  
\$8400

Delivered him in payment 200 pieces Irish Linen, 4650 yards at 60 cents . . . . . \$2790  
Cash for balance . . . . . 5610  
\$8400

5. *Bill. Ec. 8000.00 || 1 | Mdse.*  
5. *Profit & Loss 400.00 || 2 | Cash.*  
14

4. Remitted to J. Smith, Liverpool, on my account, Joseph Richards's set of Exchange on Grand & Co. Paris, at 30 days sight (373), for 43243½ Livres Tournois, equal to . . . . . \$8000

1. *J Smith 8000.00 || 3 | Bill. Ec. 8000.00*  
16

5. Bought of Thomas and John Loud for Cash, on account of J. Smith, Liverpool, at 2½ per cent. premium, their set of Exchange on Baring & Co. London, at 30 days sight, for £2000 sterling, equal to . . . . . \$9111.11  
My quarter per cent. for investing is . . . . . 22.78  
\$9133.89

*J Smith 9111.11 || 2 | Cash.*  
*1133.89 || 6 | Commission*  
20

6. Sold Samuel Archer my Bill on Charles Bishop, London, at 5 per cent. premium, for £460 sterling . . . . . \$2044.44  
Premium . . . . . 102.20  
\$2146.64

Samuel Archer has receipted me for balance )  
of Book Account (324,346) \$1700.00 } \$2146.64  
and paid balance in Cash . . . . . 446.64 }

5. *Cash 446.64 || 1 | Cash.*  
2. *Book 1700.00 || 2 | Cash.*  
25

7. Bought at Hope's Office for Cash, three tickets in the Pennsylvania State Lottery, at \$20 . . . . . \$60

7. *Hope's Office 60.00 || 1 | Cash.*  
30

378. Paid in Cash, for the honour of J. Smith, Liverpool, a Bill drawn by him on Peter Wright, and protested for nonpayment.

Bill and cost of protest . . . . . \$987.50  
 My brokerage at a quarter per cent. is . . . . . 2.47  
 \$989.97

9 J. Smith

989 97 2 6

Cash -  
 Commission

987 50  
 2 47

31

379. Expended for support of my family this month, as per Book of House Expenses (41) . . . . . \$175.25

7 Expense

175 25 2

Cash -

175 25

DIRECTION TO THE LEARNER.

Having journalized the foregoing month satisfactorily, proceed to post and prove your Leger as directed for last month, and then proceed to Lesson XIV.

LESSON XIV.—Month of June.

1

380. Purchased for my own service, a horse, gig, and harness, for Cash \$500

20

Wheeler

500 00 2

Cash

500 00

2

381. One of my Lottery Tickets (377) has drawn a prize of \$5000. Received at Hope's a check for the avails . . . . . \$4250

20

Cash

4250 00 5

Hope

4250 00

4

382. Shipped by the William, for Charleston, and consigned to John Loud, to be sold for account Co. A., 24 pipes of Madeira Wine, belonging to said Co., containing 3000 gallons, at \$4 per gallon, \$12000.

My half is . . . . . \$6000  
 Paid shipping expenses . . . . . 100

\$6100

21

John Loud

6100 00 100

Cash

6100 00

6

383. Shipped by the Tobacco Plant, Jones, to J. Smith, Liverpool, pursuant to his order and for his account, the following goods from store, viz.

1400 bushels of Wheat, at \$1.25 . . . . . \$1750.00  
 210 barrels Flour, at \$8 . . . . . 1680.00  
 20 bales Sea-island Cotton, 5560 lbs. at 20 cents . . . . . 1112.00  
 20 do. New Orleans do. 6000 lbs. at 18 cents . . . . . 1080.00  
 30 do. Upland do. 6550 lbs. at 16½ cents . . . . . 1078.00

Carried over \$6700.00

		Brought over \$6700.00			
		CHARGES.			
Paid for labour, bills of lading, cooperage, cartage, and measuring, Cash . . . . .			170.00		
My commission on \$6870 at 5 per cent. is . . . . .			343.50		
Passed my Note to the American Insurance Company at 4 months for premium on \$7213, at 4 per cent. Policy \$1.25			289.77		
My quarter per cent. for effecting insurance is . . . . .			18.80		
			\$7522.07		
<i>J. Smith.</i>		<div>7522 07 20 6 4</div>	<div>7522 07 20 6 4</div>	<div>6700 00</div> <div>170 00</div> <div>*362 30</div> <div>289 77</div>	
<div>8</div>					
<p>The Special Partnership heretofore existing between H. W. Kelly and myself (354), is this day dissolved by mutual consent. I have taken to my account the whole invoice of goods which I delivered to him on the 7th May last to be sold for the concern, amounting to \$3000 (369).  Said Kelly's share is . . . . . \$1500  My do. is . . . . . 1500  Received in Cash the balance of his Note of May 10, for \$3568 (371), which I have given up . . . . . 2068</p>					
<div>Adm.</div> <div>Cash.</div>		<div>3000 00 9</div> <div>2068 00 18</div>	<div>3000 00 9</div> <div>2068 00 18</div>	<div>\$5068</div> <div>3568 00</div> <div>1500 00</div>	
<div>10</div>					
<p>Received per mail from William Morgan, of Cork, the invoice of 5 cases Irish Linen, shipped by him pursuant to my order and for my account, to H. B. Gibson, of New York, amounting to £1122 Irish, equal to \$4600.  Received per same mail from said Gibson, an account sales of the whole of said Linen, nett proceeds amounting to . . . . . \$5941  Gained on said goods \$1341.</p>					
<div>B. Gibson</div>		<div>5941</div>	<div>22 5</div>	<div>4600</div> <div>1341</div>	
<div>12</div>					
<p>Paid the United States Bank, for my Note of 28th March last, due 29th May (339) . . . . . \$900.00  Interest, 14 days at 6 per cent. per ann. . . . . 2.10</p>					
			\$902.10		
<div>900 00 20</div> <div>2 10</div>		<div>900 00 20</div> <div>2 10</div>	<div>900 00 20</div> <div>2 10</div>	<div>902 10</div>	

387. Charles Bishop, London, advises me per letter of 20th April. that he shipped per the Prince Regent, Baker, pursuant to my order and for account of Co. B., to William Morgan, of Cork, 15 bales of dry goods amounting to \$8100, and that he has also, in pursuance of my order, drawn on J. Smith, Liverpool, on my account, for the amount at 90 days sight.

J. Smith's third thereof is	...	\$2700	} \$8100
J. Delacroix's do. do. is	...	2700	
My do. do. is	...	2700	

22 *John 2<sup>nd</sup> Cork Co.* 2700 00 || |

9 *J. Smith* 2700 00 || 9

17 *...* 2700 00 || |

-16-

388. Received advice from Captain Thomas Longshore, of the late Brig Eric, bound to St. Petersburg, that said brig, on which I insured \$5000 (301), is totally lost in the Baltic. I have therefore paid his Bill on me at sight for said sum . . . . . \$5000

7 *Insurance* | 50 | || 20 | *...*

-19-

389. Paid the Columbia Insurance Company per check on United States Bank, for my Note to them of 16th February last (314) . . . \$555

4 *...* | 555 | || 20 |

-20-

390. The Ship Tobacco Plant, on board of which were J. Smith's goods, on which I procured, on account of said Smith, insurance on \$7213 (383), is lost with the whole cargo. I have therefore received from the American Insurance Company my Note to them of 6th inst. for premium . . . . . \$289.77  
Cash for balance . . . . . 6923.23

\$7213.00

4 *...* | 7213 | ||

20 *...* | 6923.23 | ||

7213



1. Received from J. Smith, Liverpool, sales of 1290 barrels Flour, shipped to him by the Hibernia, Newman, for account of Co. B. (352), the nett proceeds amounting to £4562 10s. sterling; my third of which is £1520 16s. 8d. equal to . . . . . \$6759.25

<i>J. Smith</i>	6759	26	17	<i>Shipped to Liverpool Co. B.</i>	6759	26
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2. Received from J. Delacroix, Havana, sales of 450 barrels of Flour, consigned to him by the Minerva, Longshore, to be sold for Co. A. (355), nett proceeds being \$6960, for which amount he has remitted me his Bill on Alexander Henry, jun. at 30 days sight, which is accepted.

A. Robinett's half is . . . . . \$3480  
My do. is . . . . . 3480  
\$6960

<i>Bill Rec.</i>	6960	00	19	<i>Shipped to Havana Co. A.</i>	3480	00
			8	<i>Alex. Robinett</i>	3480	00

3. Received also from said Delacroix, sales of 600 barrels of Beef, shipped to him by J. Smith, Liverpool, for account Co. B. (353), nett proceeds amounting to \$7200, my third of which he advises me that he remitted on 30th March last to J. Smith, Liverpool, pursuant to my order . . . . . \$2400

<i>Bill Rec.</i>	2400	00	18	<i>Shipped to Havana Co. B.</i>	2400	00
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4. Charles Bishop, London, advises me per letter of 26th April, that the Prince Regent, in which he shipped to William Morgan, Cork, 15 bales dry goods on account Co. B. (387), is lost, and no insurance effected thereon. Whole amount of invoice \$8100.

My third was . . . . . \$2700

<i>Robert &amp; Sons</i>	2700	00	24	<i>Shipped to Cork Co. B.</i>	2700	00
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5. Received from John Loud, Charleston, sales of 3000 gallons of Wine, consigned to him to be sold for Co. A. (382), nett proceeds amounting to . . . . . \$11360

<i>John Loud</i>	11360	00	21	<i>Shipped to Charleston Co. A.</i>	11360	00
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396. Closed account of Shipment to Charleston Co. A., and rendered Robinett an account sales, nett proceeds \$11360.

Charges on Shipment already posted (382) \$100.

My commission on \$11360 at 2½ per cent. . . . . 284

Robinett's half of nett proceeds is . . . . . 4976

\$5260

My half of first cost was \$6000. My loss is therefore . . . . . 512

\$5772

112

21 *Profit to Charleston Co. A.* 5260 00 || 6 *Commission* 284  
5 *Profit to Do. B.* 512 00 || 8 *A. Robinett* 5488

29

397. The Special Partnership heretofore existing between A. Robinett and myself, is this day dissolved by mutual consent. We have divided the stock thus: I have delivered to said Robinett his half of the goods taken to joint account on the 18th March last (333), and have taken my half to my proper account of Merchandise, the amount of which is . . . . . \$4940

1 *Merchandise* 4940 00 || 14 *Merchandise Co. A.* 4940

30

398. Closed account of Merchandise Co. A., and rendered Robinett an account sales of 1100 barrels of Flour, (sold to Co. B. in April last, 352) which is all that remains to be accounted for, \$10100.

My commission thereon at 2½ per cent. is . . . . . \$252

A. Robinett's half of nett proceeds is \$4924, of which I have paid

him in Cash . . . . . 924

and passed to him my Note at 30 days for balance . . . . . 4000

My half nett proceeds is . . . . . \$4924 }

do. of first cost is . . . . . 3000 } gain 1924

\$7100

14 *Merchandise Co. A.* 7100 00 || 6 *Commission* 252  
2 *Profit to Do. B.* 124  
4 *Profit to Do. B.* 124  
5 *Profit to Do. B.* 124

399. Transmitted to J. Smith his account current. Balance of interest up to this date due him . . . . . \$401.25

6 *Profit to Do. B.* 401 25 || 9 *J. Smith* 401 25

Expended in my family this month, per Expense-Book . . . \$200

Expenses	200	00	20	Cash-
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200 00

**DIRECTION TO THE LEARNER.**

Having finished the Journal, proceed to post, examine, prove and compare (with 530) as usual, which will complete Lesson XIV. The second closure of the Leger constitutes

**LESSON XV.**

Make as before directed (447, &c.) your Trial Balance sheet, and Profit and Loss sheet (467, &c.). Obtain from your Teacher (458) the abstract of Inventory (541, 542, K.), rule and make out your Balance sheet (479, &c.) and close your closer sheets as in the first set (501, &c.). Compare these papers respectively with 531, '2, & '3, K.

Then turn to 522, L. and study the directions for closing by the second method.

**NOTE.**—The remainder of this page is left blank for the reception of cross entries, if unfortunately any must be made.

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General Dis. 107

General Dis. 107  
General Dis. 107

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## General View of the Contents of this Work, and Directions to Teachers concerning the use of it.

Two quarto books only are for the use of pupils. In these are all the instructions necessary for a knowledge of the principles of Book-keeping, and also blank books for practice.

The Lessons into which the study of the subject is divided in this work, do not follow each other according to numerical order to immediate succession in the books. However desirable for the sake of simplicity such an arrangement was, it was nevertheless found to be incompatible with one of the author's main objects—that of observing the most gradual progression from the simplest and easiest parts of the learner's task to the most complex and difficult. In pursuance of this object, he has been obliged to transpose the order of the Lessons in the books, and to give the Journal to the Leger and back again several times. But to prevent all uncertainty in the pupil's mind, he has interpersed "Directions to the learner," wherever they were requisite, to guide him in his progress. These being regarded, no inconvenience can be experienced by a learner from the transposition.

### COURSE OF STUDY.—FIRST SET OF BOOKS.

- I. The first Lesson is a description of the books to be used in keeping accounts.
- II. The second consists of the usual nomenclature of accounts, and the rules for making these debtor and creditor.
- III. The third is an application of these rules in a series of Interrogatories in Journalizing, to be answered orally, or written on a slate, by the pupil; the teacher at the same time comparing each of his answers with that found in the Key.
- IV. The fourth is an exercise in Journalizing a number of Original Entries, comprising the opening and conducting of the Journal in the manner of a person trading solely on his own account.
- V. The fifth consists of a set of rules for proving the correctness of Journalizing, and an application of them to the Journal of the fourth Lesson.
- VI. The sixth Lesson comprises directions for the opening of the Leger, the posting of the Journal of the fourth Lesson thereto, and the proof of that posting.
- VII. The seventh embraces the necessary directions for keeping accounts of Shipments and Commissions (as sent from the merchant, both as his own account and as that of others, that is, Commission accounts); and an Interrogatory Journal exercise adapted thereto.
- VIII. The eighth Lesson is a practical exercise upon the last, being a set of entries in Shipping and Commission business, to be Journalized, posted and proved, as the fourth Lesson was.
- IX. Lesson ninth is composed of directions and rules for keeping Special Partnership accounts, with an Interrogatory Journal exercise adapted thereto.
- X. The tenth Lesson is an exercise in Journalizing, posting and proving a set of entries containing Partnership transactions.
- XI. This Lesson is composed of directions and rules for proving the Leger by the Trial Balance, making the closing sheets, closing the first set of books, and reopening the Leger.

### SECOND SET.

- XII. XIII. and XIV. These three Lessons consist of a series of Original Entries, to be Journalized and posted, as those of the last set were.—These entries, however, are generally more difficult than those, affording an exercise adapted to the learner's ability at this stage of his advance in the art.
- XV. The second proof and closure of the Leger constitutes Lesson fifteenth, which completes the proposed course of instruction.

### Extract of a letter to the Author, from T. T. Smiley, author of "An Easy Introduction to the Study of Geography," and other School Books.

I consider your work, as a School Book, decidedly superior to every other with which I am acquainted: Because,

- 1st. The definitions are more full, minute, and perspicuous.
- 2d. The instructions and exercises are better adapted to the purposes of teaching and learning, than those of any other treatise which I have examined; inasmuch as the pupil is prevented that injurious but very common practice of copying from his printed book what he ought to produce by mental exercise—and at the same time the teacher is enabled, by means of your Key, to decide instantly, with certainty and precision, whether or not the pupil has produced a proper result.
- 3d. The subject is more perfectly graduated than I have seen it elsewhere—the different parts or departments of the subject being introduced to the pupil in their natural order; namely—First, the manner of keeping the accounts of an individual doing business on his own account and second, those of an agent or commission merchant—and Third, those of partnership.
- 4th. Your work contains a complete system of reference throughout, by means of numbering the paragraphs, so that all the parts or passages which relate to the same subject are, as it were, brought together.
- 5th. It contains the Blank Books necessary for the practice of the learner, neatly ruled and prepared, which is a considerable saving of expense and labour for him. He is also saved the usual labour of copying his day-book—an exercise always tedious but devoid of instruction by means of your printed one.
- 6th. You have so classed your Leger accounts for balance and closure, that this part of Book-keeping, which is usually very difficult, rendered much clearer to the mind of the learner, than I have ever seen it elsewhere.
- 7th. You have included in your course of instruction, two closures of the Leger instead of one, (as in Bennett's Treatise) which not only gives more practice in this very essential but difficult part of the subject, but likewise saves in reopening the Leger after the general balance